

May 7, 2007



TRANSCRIPT

May 7, 2007

MONTGOMERY COUNTY COUNCIL

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May 7, 2007

Council President Praisner,

Good morning, ladies and gentlemen. Welcome to the first of the Council worksessions on the FY08 Capital and Operating Budget for the combined Council review of committee recommendations. We will start with the Washington Suburban Sanitary Commission. I will turn the lead over to the Chair of the T&E Committee, Councilmember Floreen; and I would invite Mr. Brunhart, Mr. Botts, and whomever else you would like to have here with us from both OMB and the Commission to join us at the table because Delphine needs your names in order to provide the kind of cable coverage.

Sheila Cohen,

We'll start over there and go down the line, please. Good morning. Sheila Cohen, WSSC Budget Group Leader.

Stan Botts,

Good morning. Stan Botts, Vice Chair, WSSC Commissioners representing Montgomery County.

Andy Brunhart,

Good morning. Andy Brunhart, General Manager, WSSC.

Tom Traber, Good morning. I'm Tom Traber, Chief Financial Officer of WSSC.

Brady Goldsmith,

Brady Goldsmith, OMB.

Council President Praisner,

Okay, thank you. Nancy?

Councilmember Floreen,

Okay. Well, welcome everybody to the beginning of our budget experience. Andy, would you like to make some opening comments about the budget, about WSSC's current needs, and sort of the basis for the Commission's request? This -- I don't think the full Council has sat down with you all, and so this would be a good time to bring everyone up to speed.

Andy Brunhart,

Well, thank you very much. I'll take this opportunity; and good morning again, all. It's a pleasure to be with the Council. I'll try to capture an 8-month process in about two or three minutes highlight. We started looking at Fiscal Year '08 with a \$35 to \$41 million challenge, expenses over revenue. We've worked that very, very hard in concert with the staffs and the TH&E Committee and the T&E Committee from both counties. We were at 11 percent and down to 9-some percent of a potential rate increase. And then we looked at it from an inflation-only profile, and that was about an 8.3 percent rate increase. The cost growth we're experiencing is what most are experiencing; we're high a high energy user, so the inflationary trend on energy costs, electricity, and fuel is



May 7, 2007

catching us. Same thing related to chemical costs. We use a lot of chemicals, and I can go on and on. But primarily our inflation-only case is about an 8.3 percent rate increase. We worked that through sending affordability. The two counties gave us a guidance of a 5.3 percent rate increase, and the Commissioners took that very seriously. And with several very rigorous sessions with staff felt to honor the 5.3 percent guidance from Councils, they also thought deeply about a concept that was talked just in concept at a leadership meeting of a potential increase in the account maintenance fee. That's the quarterly fee of currently \$11, flat rate, and increasing that \$4 per quarter to approximately \$15 per quarter, flat rate. And that's, at the end of the day, with our challenges fiscally, that's what the Commissioners put to public. At the moment, then, the difference between the guidance of the counties of a 5.3 percent rate increase and an equivalent of a 7.2 percent rate increase is about a \$6 to \$6.5 million problem or challenge. We prioritized, as the counties would too, on what we could reduce; and we categorized them by Priority A, B, and C. Essentially in the process we took 90 percent of all category A's are already reduced. If we start looking for \$6 million more, we'll be in the category B's which are going to be operationally very painful. I guess I'll add two more global thoughts for your consideration. We very much consider the FY08 budget a bridge year. We have kicked off, as we've dialoged informally, our 30-year Infrastructure Plan creation. We kicked that off formally about two weeks ago; and linking that to a 10-year Fiscal Plan, we kicked that off as well. The next three months will be very intensive. We plan on having the first look at the 30-year Capital Plan, the 30-year rather Infrastructure Plan done -- draft in June, and then final in July, linked to Fiscal Plan, so that when we come forward in our '09 budget, we can present to both Councils the full requirement for WSSC across this next 30 years and then primarily concentrating on the next decade. And then, of course, we'll have the serious question; and that is, "At what pace will we look at and decide to proceed with the infrastructure needs across the next 30 years?" And that will become, I know, a very rigorous and thoughtful discussion for next budget year. So I'll end my introductory comments with the top or bottom line, depending upon how you look at it. At the moment, thoughts in play are a difference between a 5.3 percent rate increase -- and I'm going to slow down now -- and a 7.2 percent rate increase equivalent. What that means, to the average residence, is the difference between approximately a \$2.20 per month increase or a \$3.10 a month increase. So the delta equivalent difference between there is about 80 cents a month per the average resident -- between 5.3 and 7.2 percent -- and that's where we are today. And that's a pretty good three- or four-minute kick-off synopsis of where we are in the WSSC budget.

Councilmember Floreen,

Thank you, Andy. Let me just say to my colleagues, the committee spent some time with WSSC reviewing these issues with great attention and seriousness. We had -- we're provided with some very significant concerns about the ability of WSSC to maintain its infrastructure and -- particularly in light of the increasing number of water main breaks and the like that they are seeing over time. It's sort of a "pay now" or "pay-a-lot-more later" approach, it seemed to many of us, in terms of how we dealt with the situation. And we found that the 5.3 percent rate increase which we had discussed previously was going to be pretty untenable for the Commission. Andy, do you want to



May 7, 2007

Speak a little bit as to what a 5.3 percent number would cause the Commission to have to do?

Andy Brunhart,

At a 5.3 percent rate increase, we'll be about \$6 to \$6.5 million short of known expenses, and then we just—

Councilmember Floreen,
Known expenses?

Andy Brunhart,

Known expenses. And then we just received, within the last month, information about the East Coast grid -- electric grid -- and there's going to be a change in calculation of distribution fees; and that's another \$1.5 million of just additional distribution fee we're going to experience in FY08 that's not in any of the numbers. So reality is we've got an \$8 million problem. If we -- if the end-of-the-day decision is a 5.3 percent rate increase, we're going to be cutting into the bone operationally to meet that challenge. What is in the category B reductions is things like overtime and operational expenses. And that's a fig leaf, in my estimation, because if we're going to pretend that we're not going to do overtime in the months of December, January, and February when we experience the most water main breaks, that's just a shell game budgetarily. Because when the water mains break at three in the morning, we're going to spend the overtime to go do it and fix it.

Councilmember Floreen,

I would hope so, yes. Mr. Botts, would you like to -- first of all, we'd like to thank you for your service on behalf of the County and the Commission. Would you like to make some comments?

Stan Botts,

Thank you. I'd just like to add that Mr. Brunhart has captured very well what our situation is. And I think that I would only implore you to look around, locally as well as nationally, and you'll see that the things that we're talking about in terms of our infrastructure are not unique to us. It's unique to utilities and, I think, especially to water utilities. And what he's asking for is nothing out of the ordinary; and we are real proud to be on the path that we're on to develop our 30-year Infrastructure Plan, as well as the 10-year Fiscal Plan that, I think, will put you in a much better position. I think both counties were very pleased to be involved with the kick-off to get this project underway and have input, and are looking to participate with us going forward.

Councilmember Floreen,
Okay, thank you.

Council President Praisner,

Nancy, before we go on to the specifics, I think it would be helpful for us that each time we go through one of these budgets that's a comprehensive agency budget where we



May 7, 2007

don't specifically talk about the Executive's recommendations, to make sure that OMB has a chance to share -- or Keith -- to comment on what the Executive's recommendations on the budget would be and are.

Keith Levchenko,

The Executive's recommendation was to stay at the 5.3 percent and to not increase the account maintenance fee -- or the "Ready to Serve Charge" as it's being called now. Although I think -- in discussions with the Executive staff -- I think the rationale for that was to support the Spending Control Limits Process that both Councils had approved last fall more so than, I think, feeling that WSSC could easily absorb the additional -- the \$6.6 million that Mr. Brunhart mentioned. So, I think, from the Executive's standpoint, he was trying to honor that process. I think that -- and this gets to the Committee recommendation -- I think the committee supported the Executive's suggestion that we should not increase the Ready to Serve Charge at this point because that was a new concept; and I think both Councils would like more time to look at that issue and decide if that's the approach we want to take in terms of some kind of future infrastructure fund. But that that's something that should be done a little more deliberately rather than through the heat of the budget process. So I think the Executive -- and, I believe, based on our discussions with Prince George's County, that County as well feels that the Ready to Serve Charge issue should be deferred. So that gets you back to what the appropriate rate increase should be. And as Mr. Brunhart mentioned, if you were to substitute the equivalent rate increase to accommodate the money you would get from the Ready to Serve Charge increase, you're talking about a 7.2 percent increase.

Council President Praisner,

Okay, I'll go back to the Chair of the Committee to -- I just basically wanted a context of the Executive's position. Go ahead, Nancy.

Councilmember Floreen,

Well, sure. And that's where I was going in any event.

Council President Praisner,

Good. Okay.

Councilmember Floreen,

So just to complete the summary, the thinking of the committee was that this issue of the real cost of infrastructure maintenance really was going to be further dealt with over the cost of the -- over the coming year. As there would be agreement or not as to how to fund that, whether it should be within the account maintenance fee category which they had renamed as the Ready to Serve Charge or not. But the challenge for us was -- given the probability of an across-the-board increase at the state level, taxes of fees, and whatever sort of comes out through the general assembly -- it would be wise to at least protect our most precious resource, which is water and the accessibility of water to our residents. So that's basically, I think, the philosophical approach that the T&E Committee took in recommending the 7.2 percent number. We can go through the details here. Keith, why don't you take us through. I'm not sure how much folks will want



May 7, 2007

to get into the details. That is the most significant point in terms of our ultimate conservation. But, Keith, why don't you take us through --

Council President Praisner,

I think if you focus on the committee recommendations and where there is an action item, that would help Councilmembers.

Councilmember Floreen,

Yeah.

Keith Levchenko,

Just to highlight --

Council President Praisner,

I don't think your mike is on, Keith.

Keith Levchenko,

Sorry. Just to highlight a couple summary points -- page 5 of the packet. I do have the budget trends from the approved '07 to the proposed '08 budget, and it is a -- the change in the Operating Budget is a 5.2 percent increase. And so that's what's driving the need for the rate increase we're talking about. In addition, I did also want to note that as a result of the state legislative session, WSSC did get additional authority within House Bill 709, the Fuel Gas Jurisdiction Regulations Bill, to regulate an additional area of service; and they're recommending to do that with increased permit fees. So although their expenses would increase somewhat, they would be able to off set those costs with permit increases; and there'd be no impact on rates. So the committee did concur with adding some additional resources for that. That does not, as I mentioned directly, affect the debate about the rate increase though.

Councilmember Floreen,

And that's shown on page 4, the memo.

Keith Levchenko,

Right. There were -- I also note in the packets some additional state legislation that was approved on, let's see, Circles -- pages 3 and 4. There's some additional legislation that was approved. The only other item of note with regard to the budget is the System Development Charge Exemption Bill, House Bill 667, which added an additional exemption for facilities serving or providing programs for youth that will require some additional work by the Counties to determine definitions and process for that exemption. So we're going to have to work that out.

Council President Praisner,

I thought it was pretty narrowly drawn, though. It isn't broadly, I thought, for all --



May 7, 2007

Keith Levchenko, 31

Well, the legislation, as you know, was amended substantially from what it originally was; but there's still some work that has to be done to implement it, and both Councils will have to agree on that.

Council President Praisner,

The only reason I said that is because anyone watching or listening who hears you say, "Anyone providing services to youth won't have to pay a system development charge" may get the wrong impression.

Keith Levchenko,

Well, it's non-profit organizations, and there's a cap. And so, yeah, there's some issues that have to be worked out in terms of implementing it -- just as there were with the previous exemptions that were approved. So we'll have to deal with that, but fiscally it doesn't affect the budget per se this year because both counties had a substantial amount of exemption cap room already.

Councilmember Floreen,

Yeah.

Keith Levchenko,

So, at least in the short-term, we don't expect that to have an impact on the SDC fund or on this budget.

Councilmember Floreen,

That issue applies only in Prince George's County, doesn't it?

Keith Levchenko,

What's that?

Councilmember Floreen,

The youth program element applies only in Prince George's, or is it written --

Keith Levchenko,

Well, it can apply in either county. It's up to the counties in terms of working out the rules, but I'll have to check with our legal staff about whether we could decline that exemption on our side.

Councilmember Floreen,

Well, I think it'd be helpful if we could get a copy of the final piece of legislation; I guess it's been signed into law.

Keith Levchenko,

Right. Either was, or I checked with our staff that it was imminent. There was not an issue of not being signed.



May 7, 2007

Councilmember Floreen,

Imminent. So why don't you share that with us? But for folks as background, as Keith just indicated, the amount of exemption that each jurisdiction is authorized to allow has not been reached, and actually far less so in Prince George's County than in Montgomery County.

Keith Levchenko,
Right.

Councilmember Floreen,

We have used it more aggressively than they have. Okay?

Keith Levchenko,

So in that case – once again, it will not have an affect on this budget that we're looking at today; but it is something we'll be looking at as part of the SDC Resolution that you normally approve each year. So that is scheduled for introduction tomorrow and action next week. It's part of a broad number of revenue measures that you approve by resolution. So we'll have to work out some language with Prince George's. It may be that that exemption itself will have to be the subject of a future resolution. We may not have time between now and next week to iron out all those details. We'll have to see; but that will be up to our legal staff as to whether we can work that out.

Councilmember Floreen,

Mm-hmm. Mm-hmm.

Keith Levchenko,

There's a lot of other detail in the packet I don't think we need to get into in terms of some of the workforce trends and other budget pressures that Mr. Brunhart mentioned. I will note that in terms of compensation adjustments, the MFP Committee and the Council did discuss the agency compensation. And I have noted on page 9 of the packet for WSSC, WSSC does provide a COLA and merit increase structure, as well as some specific compensation adjustments that are unique to WSSC, including performance pay and flexible worker pay -- as well as some new pay related to their IT staff, related to the reorganization there. And I know Mr. Brunhart mentioned at the committee worksession that he's going to be taking a broader look at compensation issues in WSSC because they've been in place about five or six years now, and he is – he did think that it was time to take a more broad look at it to see if the pieces all worked together as they should. But the committee was comfortable with the compensation adjustments as proposed by WSSC.

Councilmember Floreen,

Let me just add a fun fact that Keith's memo points out on page 7. WSSC personnel costs as a whole make up approximately 20 percent of their Operating Budget expenditures, which is very different from the County. That's because, as I think Mr. Brunhart indicated earlier, it's a very capital-intensive population.



May 7, 2007

Keith Levchenko,

Right. And on that same page -- page 7-- I also show the work year trends of WSSC. And as you can see from 2000 through 2006, we had substantial work year reductions reflecting the reductions in the workforce related to their CAP Program. However, we're now starting to see the workforce start to creep back up as WSSC identifies areas they feel need additional staff -- I guess a "right sizing" as you might say -- as they go back over the work that they do. So that's part of the pressure we're seeing in terms of rates is, they are starting to see additional staff that they need to accomplish some of their goals. So that's a pressure that we'll be talking about with regard to the 10-year Fiscal Plan. What is their long-term outlook in terms of staffing? Where are the holes that they see in those areas? Some related to infrastructure, but others related to other operations. So that will be a major piece that we'll look at. Despite being a smaller portion of the budget than the other agencies, such as County government and schools, it's still a significant piece.

Council President Praisner,

I'd be curious in our looking at, at some point when we talk about some of the personnel pressures, where there are similar functions across all agencies. The measures you plan to use to benchmark the personnel and the outcomes that they perform -- and where those positions have, shall we say, "performance pay"; and in that, comparability issues. Also, obviously we're going to be looking at infrastructure across the board. So I just want to comment on what we've already discussed. I think the concern is a similar concern that we hear; and the MFP Committee is going to be discussing the technology, risks, and some suggestions about funding -- to some extent, it's major capital -- not necessarily bond fundable -- but major capital needs that go on that have significant dollars associated with them, and the question of how you deal with them over a multiyear period or how you deal with them from year to year and what play they have in the daily budget, so to speak, versus the long-term need. So while I think I accept both Councils' position and the Executive's of not increasing the fee at this point, I do think it's something that we need to continue to look at because it's -- otherwise, we're asking whomever is a rate payer at the time that the pipes burst to absorb all the cost from what might have been expenses the rate payer of yesterday did not pay a fair share of. And there's got to be some kind of a sinking fund or something that prepares or provides some revolving support, while at the same time protecting those funds so that they are not grabbed for other purposes. But I do think it's an issue that if not ripe yet, has to be looked at in a comprehensive way across infrastructure of government on an ongoing basis. So our roads, as well as our pipes under those roads, as well as the technology, hopefully we'll use to better improve both the delivery of service, the tools for our employees, and maybe even be more efficient in the process.

Councilmember Floreen,

Mrs. President, if you look at page 12 and 13, there -- that's what's planned to --

Council President Praisner,

Yeah.



May 7, 2007

Councilmember Floreen,

At least for WSSC. Well, I examined these kinds of issues in the context of a 10-year Fiscal Plan; and maybe that will be an opportunity to look at the relationship with other governmental approaches to --.

Council President Praisner,

Well, I would urge the general manager and his staff to participate fully with the inner agency group because it looks like the technology --the IT piece -- technology group appears to be the place where all the decision makers at least come together under that umbrella, but also talk about all of these other issues. And that sharing and testing of what each other is doing or finding or how one might build on each other's work and provide some efficiency or minimization of costs by doing so is, I think, important.

Andy Brunhart,

You made two excellent points. First of all let me say that on the ITPCC, I don't think I've missed a meeting in two years; I'm very much of a partner in that group, and I find it very valuable. The other observation is -- although I'm out of school a little bit -- we have many, many infrastructure challenges -- more than just water, as you point out -- roads and buildings, etc.; and how are we going to stand up to that as a generation so we lock it in and don't fight the same battle every year, which is the enterprise-wide or the sinking fund approach. And we're looking at that.

Council President Praisner,

Thank you.

Councilmember Floreen,

Okay. I think with that being said, we can get into some of the detail of the rate increase debate which is spelled out in some detail on pages 10 through 11. As Andy indicated, a same services or really inflation-only plus GASB scenario would require -- really, technically requires an 8.3 percent rate increase. There was a concern about holding the line and then imposing upon rate payers significant increases in later years, which is identified on page 10. And I think it was -- there were -- rate increases in '05 through '07 have been 3.3 percent, 2.5 percent, and 3 percent. Before that, there were no rate increases for six years. And, obviously, we put ourselves in a position where we have to start facing facts here. So that, again, is a significant portion of the background for the committee's recommendation and for the Commission's position. I believe it was a unanimous position of the Commission; wasn't it, Andy? Yeah. Anything else you want to say on this issue? You sort of reviewed this previously.

Andy Brunhart,

Well, I wish I could move a year forward; and we'd be talking about the 30-year plan; but this is pretty much a bridge plan. And I would urge you to deeply consider an equivalent 7.2 percent rate increase.



May 7, 2007

Councilmember Floreen,

The issue of the 10 year Fiscal Plan and 30-year Infrastructure Master Plan, have they begun at this point?

Andy Brunhart,

Yes, they have. As I mentioned in my prelim remarks, we kicked them off formally with our project teams two weeks ago. We have several project teams completely dedicated to this evolution over the next two months, and we have County representatives linked and partnered with us as appropriate. We meet -- my Executive Steering Board meets weekly, a four-hour session, to get an update on progress. And we have such luminaries as David Lake and Howie Sanoo from Prince George's on those committees at the executive level to see what progress we're making.

Councilmember Floreen,

With those luminaries, you can't go wrong, can you?

Andy Brunhart,

That's right.

Councilmember Floreen,

And when will you bring that to the Commission?

Andy Brunhart,

I will be giving the Commission a monthly update of progress; and in July, we'll be bringing the Infrastructure Plan smoothed for their consideration.

Councilmember Floreen,

Thank you. And then as you'll see, we've looked at a variety of proposals, as identified on page 15 of Keith's memo. The County Executive was very strong on the idea that we not go to the -- what they are now calling the Ready to Serve Charge as an increase at this point. Because -- really putting it on the table -- putting it to one side so that anticipating that that cost might be addressed as a result of these conversations that are just in the process of initiation right now. So with that in mind, Keith took a hard look at where we could find some reductions that we could feel comfortable with; and, frankly, they were so modest that the committee said that the average rate payer is not going to notice 10 percent -- a 10-cent or 20-cent adjustment to serve a technical solution. So, consequently, that's why the committee recommended the 7.2 percent rate increase. Anything else we need to summarize there? What I would like to suggest is that if the Council is okay with this, we know that Prince George's is having this exact conversation -- is it this afternoon, I think?

Council President Praisner,

It's sometime today.



May 7, 2007

Councilmember Floreen,

Sometime today. And we would like to just highlight the point that we may want to bring back to the full Council an adjustment in that number. We understand that, of course they have some different concerns that they're dealing with over there. This is a collaborative process, we hope. We hope we can find some agreement; but we'd like to suggest that we stick at this number for the time being, understanding that the Council may want to revisit that in the course of the next two days or so. We meet as a Bi-County Committee on Wednesday afternoon.

Andy Brunhart,
May 10th.

Council President Praisner,

No, we meet as a Bi-County Committee Thursday -- the two counties --

Councilmember Floreen,

Thursday -- I knew it was coming very soon.

Council President Praisner,

Right. And we're meeting at WSSC this time. Both Councils agreed that that would be an appropriate location to meet since it minimizes traffic and travel for both Councils, and we appreciate WSSC serving as host for us this year and look forward to seeing you on Thursday. Councilmember Floreen is correct that often when the two Councils have to come together -- which we do not resist in any way -- but when we have to come together to reach closure on budgets, there are two options. One is to keep our position and have no agreement, in which case the WSSC proposals would stand as a budget; or we might reach some accommodation between the two Councils, and that hopefully is a goal in order to have a smooth process on Thursday. The less we stay at WSSC for a meeting, hopefully the more harmonious it will be -- the better it is for all of us. So our goal at this point is still to try to find some accommodation; and that's true not just for the WSSC budget, but for all the budgets that the two Councils will be acting on on Thursday. And Council -- the Committee Chair is correct that to the extent we can find some modification, we're still working on that issue. Okay? I just had one comment, Andy, I wanted to bring to your attention. Several years ago when the issue of graffiti began to be a problem -- and I noticed from the community that graffiti is again or extending its implications for the community -- this Council created a partnership with the private sector. And I'm glad the President of the Chamber of Commerce happens to be in the room --wearing another hat, but in the room -- with the private sector as an alternative to legislation that was ready to be introduced that would have required businesses to remove graffiti within 24 hours. Rather than do that, we've created a private public partnership that involved all of the County agencies in contributing some funds and equipment to removing graffiti through this non-profit, and included on that board representatives from each of the agencies. It's my recollection that recently -- and not being critical, you haven't been there that long really -- that WSSC has not participated as aggressively as they had in the past. And in fact, I don't remember the dollar amount in that process; but it's reducing the costs that would be associated with



May 7, 2007

the department's management by centralized and maximizing that support. I think it was something like \$20,000 or \$25,000. So I'm not sure where that is either, so I'd like to check on that; but in essence, what it does is pool resources, use teams – the non-profit as well as the police cameras, etc. -- to take photographs of the tagging that's done and to work collaboratively to get it out of our community. I would hate to introduce the legislation, but I will if this doesn't improve because graffiti is beginning to be a significant problem in the community. And I would welcome WSSC's re-energized participation in GRAB.

Andy Brunhart,
I understand.

Council President Praisner,
Thank you. I don't see any other lights, so the committee's recommendations at this point stand -- with the notices of the possibility that this will be modified before Thursday in order to reach some commonality with Prince George's County. Okay. Thank you all very much.

Andy Brunhart,
Thank you very much for your consideration.

Council Vice President Knapp,
We just hope every discussion goes this smoothly and this quickly.

Councilmember Floreen,
I just set the bar very high.

Council President Praisner,
We'll now move -- the General Manager made reference to energy costs and electricity in the grid. We're now going to move to the Management and Fiscal Policy Committee conversation on utilities; and I'll turn it over to the Chair, Councilmember Trachtenberg.

Councilmember Trachtenberg,
Thank you, Council President Praisner. At this time, we are going to look at the Operating Budget for utilities. I know that we are being joined by several folks at this time. I'd ask any of the utility managers who are here if they'd like to join us at the table, please feel free to do so. I actually am hopeful that the conversation on this will be thorough, but brief. In effect, the committee met at the end of April and recommended approving the budgets for the utilities as requested. Again, there's a good outline of numbers on page 1 of the packet provided. There was discussion in the committee about a host of things and, in particular, energy-saving projects and the need to continue working on them. And there was specific conversation with MCPS about some of what they've done in that area. I would just simply note that on page 3 of the packet, there's a good outline of utility expenses which shows a moderate increase in the numbers from the prior year. Again, I would also note that the sharpest increase is specific to electricity. And I would also note from my colleagues that during our



May 7, 2007

discussion, it was noted that different agencies can have different percentage increases in rates for electricity, depending upon when their contract ends. And I think that's important to note. The only other two items, for purpose of conversation, that I would raise -- I thought they were quite interesting; they came up several times in our worksession -- one is that there is a dramatic increase in providing electricity to portable classrooms. I think that's something that we need to be considering as we continue our work on phasing out portables. The other thing -- which Councilmember Berliner raised, which I think has also got great merit -- was he requested that each agency use energy performance projects which on some level guarantee savings. And we note that WSSC has done that, and that was reported to us in our Resource Conservation Plan that was submitted, again, back the latter part of April. At this time, I would ask Chuck if he thinks there's anything else to add -- perhaps we want to go into a little bit more conversation over FY08 issues, but I don't know that that's necessary.

Council President Praisner,

I think Councilmember Berliner, who led us through a very fascinating and important conversation on energy conversation issues, wants to comment. So why don't we let him.

Councilmember Trachtenberg,

Okay. Great.

Council President Praisner,

Roger?

Councilmember Berliner,

Thank you, Madam Chairman and President Praisner. Let me just observe for my colleagues that we're talking about \$105 million here. Four percent of our total budget is being consumed by energy bills, and I would share with you that the trend line is not pretty. These dollars are going to go up, not go down, unless we take dramatic action. The trend line for electricity pricing is only on an upward curve here. The restructuring of electricity that Maryland and many other states went through has proven to be an utter failure in one particular regard; that is, that there is not sufficient incentive to build new power plants because we have so disaggregated the load that nobody will make the 30-year commitment necessary in order to justify the construction of power plants. As a result of that, we have gone through a boom and bust cycle; and we are now in the bust of the cycle. And that means prices will rise substantially before we bring online new power plants to provide the increased electricity that our region demands. And we are in a region and competing for regional supplies. So, what we see here is really only the beginning of a very bad scenario unless we do the kinds of things that we've been urging, which is much more conservation measures. So at this point, I believe that staff has suggested that our agencies have done a few of the lowest-hanging fruit. They have performed those conservation measures that, in effect, really represent, I believe, a payback of one year. That is real low-hanging fruit. That is if you don't even have to put it in your budget because you can make it up in the same year. What we have not gone really very far down the road of 2-year, 3-year, 5-year, 7-year -- which is all



May 7, 2007

profitable kinds of investments. So I just share with my colleagues that it is very important that we get back from the agencies their specific plans with respect to conservation measures that could be taken. We need to get on it. I note that the County Executive has yet to forward his Energy Policy Plan to us this year. I think it is reflective of the fact that we don't have anybody at DEP yet; and we need to have that filled as well, and soon, by somebody of preeminent qualification. But this is an important budget item, as well as an important environmental issue. We need to get on it. Thank you.

Council President Praisner,

If I may piggyback on that -- one of the other problems is, to the extent utility costs have centralized, there is also little department incentive in certain areas to look at the issues. And thirdly, we did at one point work together to go out on a pooled contract. But there appears now to be some disintegration of that pooling initiative because of contracts at different cycles and folks thinking they might individually capture a better price. But when we look at the aggregate, it may not be better for everybody else. It does raise questions to me about the length of contracts as well, given the cycles that we're in. And that's talking about electricity significantly, but not the other pieces. I think the T&E Committee identified things that they wanted to do -- require as far as vehicles purchased that in the long run respond to some of these issues as well. But as I said earlier to some other folks, it's incredible to me that I have four lights flashing for a discussion on utilities. That is significant. I think it's reflective of this Council's concerns about these issues and also this Council's identification that in its focus on the environment, we are talking about it comprehensively -- including consumption and our own agencies -- but beyond those agencies, to the whole County as a structure and an entity. So I'm going to call on my colleagues. I apologize. I didn't really note when the lights went on; but since Councilmember Berliner has already spoken, I'm going to come back to him at the end of the process and start at that end with Councilmember Leventhal.

Councilmember Leventhal,

Well, first of all I -- Thank you, Madam President. I want to say I really enjoy working with Mr. Berliner and all my colleagues on these energy issues. Mr. Berliner brings many years of professional expertise to this; and it's most welcome, and has already made a significant difference here. In 2003, when the County Council revised the County's Energy Policy, most people are aware that we required a significant percentage of our electricity to come from wind; but most people are not aware that in the same set of amendments that this Council adopted, we also required energy audits of County buildings in 2003. To my knowledge, those never occurred. I think they just got lost in the press of other business. And I believe Mr. Berliner is referring -- and I'm certainly aware -- that there are private firms that will essentially do an energy audit at no cost and then take a contingency based upon the savings to be realized from reduced energy use. There's a number of competitors in that market; and it would be a procurement challenge, I think, to identify the best private sector performer there. But I'm confident that that's something County government could take on successfully. Again, I really do appreciate Mr. Berliner's enthusiastic interest in this basket of issues. Clearly, there's a lot of interest on this Council; and I hope now that whether it's through



May 7, 2007

the Department of Environmental Protection or through the Chief Administrative Officer's work, we can get some real concentration on these issues in terms of energy savings in buildings. As I say, we had brought it up before -- had not made much progress there; and I think a clear message is being sent from this Council now.

Council President Praisner,
Councilmember Elrich.

Councilmember Elrich,

I just wanted to reflect on the new animal shelter that we got a proposal for. The thing that struck me was, here's a brand new building that sits out there totally exposed to the sun. And we could have a debate about whether or not floatable tanks make sense; but solar hot water makes a lot of sense. And there was no provision in a simple building like that for capturing solar hot water. And it seems to me that what we can fundamentally do and easily do, we ought to do. The economics of water are pretty good. And I was just amazed that we have this huge surface; and there was, you know, and then there was no discussion about how we could take advantage of that for the water needs of the facility. And it seems that we need to go beyond whatever it is we've done. If it wasn't part of the consideration on that building, we need to make sure that these things are part of the consideration of any building we build from now on.

Council President Praisner
Council Vice President Knapp.

Council Vice President Knapp,

Thank you, Madam President. I just had a couple questions, and I'm not even sure in which direction to send them. But you'd made reference to the "pooling of purchasing." And I just don't know -- is that -- was your reference to just within the County or within various jurisdictions working together?

Council President Praisner,

As I recall, Former CAO Romer came here on at least one occasion to highlight that in going out for purchase that the County agencies -- all of the agencies, as well as I believe city -- a couple of the municipalities -- not for consumers, but for us as a consumer --

Council Vice President Knapp,
Right. Right.

Council President Praisner,

-- had gone out for -- on contract that had saved significant dollars over what they had originally anticipated would have been the cost. Chuck, you may have a better memory than I.

Chuck Sherer,



May 7, 2007

I think there was something like 20 different entities that went into this contract. In fact, there might have been some in Prince George's County.

Council President Praisner,

And my point was, I think some of that may have -- in the second iteration of contracts, for whatever reason -- some of it, perhaps associated with where the industry and issues are at this point, but that we may not be maximizing that quantity issue to what -- the way we had in the past.

Council Vice President Knapp,

Right. Well, and another question is -- just my ignorance on this issue -- I'm assuming that we are bounded by only working with jurisdictions within the state of Maryland. So to look at an organization like the Council of Governments to look at utility purchasing within a region, we would be somewhat prohibited from doing that -- or is that not the case?

Council President Praisner,

No. I thought they did work through --.

Council Vice President Knapp,

I knew we do cooperative purchasing for a variety of other things. I just know -- and the Council of Governments is looking at, obviously, global climate change and things that we can do as a region. And so I just -- if it's not been raised, I'd like to make sure that it gets on the radar screen down there; because, you know, obviously better utilization and more efficient consumption is going to be an issue, but in the short-term also making sure that we are managing our purchases as well as we possibly can. So to the extent that we get some information on that, I'll take it down there and see that that's something that gets on the list.

Council President Praisner,

I don't know that staff is prepared to comment on that now, but I believe there was some of that work in the past. There also was a new initiative at MACO called "Cool County" -- not meaning the air conditioning, so to speak -- but they are looking to their cooperative purchasing on a variety of things and also other initiatives to try to work on environmental issues across the board, not exclusively in this state. We should look at those.

Council Vice President Knapp,

Once we get through, obviously, the next couple weeks, if we can get what MACO's issues are -- MACO and what other regions are doing, so we can actually put together a comprehensive list and start moving forward on some of those. Thank you.

Council President Praisner,

Thank you. Councilmember Floreen.

Councilmember Floreen,



May 7, 2007

Thank you, Madam President. I just want to make a couple of comments. I would actually be surprised if regional utility costs decrease given the increased attention to emissions -- not just the ones that are currently regulated, but the carbon emissions issue that's going to really take up everyone's attention over the next year. So we'll see how that works out. But I also wanted to remind my colleagues that with the green building legislation that requires County facilities to essentially achieve the silver status over time -- it didn't apply to things like the animal shelter because it was in design, as I recall -- but we will be getting the regulations, I think, this fall by December or so. Is that right, George? You think? The green buildings regulations -- is it this summer?

Councilmember Leventhal,

Yeah. We're supposed to have them before September.

Councilmember Floreen,

So this fall we will take those up; and that will be an opportunity for us to direct attention to some of the utility design as opposed to some of the other things by which you can get points. So I just wanted to highlight that for all of us to remember because that should help this number over time remain more stable than it might otherwise be. I doubt it will decrease; but if we can hold it steady, that would be a great achievement.

Council President Praisner,

Well, I'm going to ask our lead Councilmember on the environment, Councilmember Ervin, to perhaps take the lead on listing on all of these things and working with staff to try -- and the other Councilmembers -- to try to create some kind of a tracking system so we know where we are. Is that okay?

Councilmember Ervin,

Absolutely.

Council President Praisner,

Thank you. Councilmember Berliner.

Councilmember Berliner,

Just a couple quick follow-ups -- one to what Councilmember Leventhal pointed out with respect to mechanisms whereby we can assure savings. I would point us to Circle 8 of our packet that talks about what WSSC has done. And if you look in that first paragraph, you will see that they are talking about something where they have what's called an "energy performance contract" -- has already produced dramatic savings at our facilities, and it's the first of its kind at WSSC. And so we asked our County whether or not they had done something similar, and as yet they had not; but we have strongly urged them -- consistent with your observation, Councilmember Leventhal -- that they do precisely that. And I would note that we have seen already simply what education does; and fortunately in our MCPS budget, you will see a paragraph on page 4 that notes that where simply the school system is attentive to how they use energy, it produced a 10 percent reduction in consumption. So just letting people know the simple things makes a big difference. So it's those kinds of things that we really need to attend



May 7, 2007

to. And, finally, I would observe that the Chair of the Education Committee apparently was not aware, nor was the Chair of MFP Committee or the Council President, that MCPS had gone out and had actually gone on its own to buy electricity in a departure from the County's otherwise "bundled service" if you will. And we were surprised not to be aware of it. It is a significant undertaking. It does -- buying electricity in the wholesale market does involve substantial risk. There are many competing theories as to how one should do it. But we certainly hope in the future -- I know this Councilmember hopes in the future -- to be made aware of those kinds of things before they take place as opposed to after they take place.

Council President Praisner,
Chair, back to you?

Councilmember Trachtenberg,
Actually, I wanted to respond to the remarks that were made by Councilmember Leventhal specific to the energy audit. And what I would suggest is that I will work with colleagues on the MFP Committee -- Councilmember Berliner and our Council President -- and perhaps it's time to send a letter to remind people about the audits. At least that's the beginning of a conversation we should have about it. I see that as part of my job and part of the MFP Committee's role in this. So we'll go ahead and send something within another few weeks. But I think what you raise is very important; and I also would note that what Councilmember Berliner raised around the energy performance projects is also very, very critical as we try to develop a more uniform strategy in all of this. I don't see lights on here.

Council President Praisner,
No. That's it.

Councilmember Trachtenberg,
So I'm assuming that we're in agreement that we would approve the budgets as provided to us for utilities in the hope that in the years ahead, we'll be able to perhaps plan more strategically. I think, Councilmember Berliner, you would like the choice of that word.

Council President Praisner,
Obviously, we're going to have some follow-up on these issues after the budget related to the audit questions -- some of these other initiatives that we talked about of options -- and then look forward to having broad Council participation in these discussions, as I said. One would not have expected previous occasions -- I think Council Staff Member Sherer would concur with my comment -- that we would have as much conversation on the issue of utilities. And I think it's reflective not only of this Council's interest, but also of the significant amount of money and the significant challenges -- as Councilmember Floreen indicated -- that this Washington Metropolitan Region is going to be under in the years ahead. And we are already behind on these issues. It's not the Chesapeake Bay, air quality, and other issues that are going to cause us to focus more and more time on this issue. So thank you all very much. We will move on to the next budget, which is



May 7, 2007

Montgomery College and also the CIP Amendments to Montgomery College. I'll turn it over to the Chair of the Education Committee, Vice President Knapp, and invite those representatives from the College who are here to come to the table and to introduce yourselves, please, as you take your seats so that those watching in our Pictron system can also respond to that. And I don't know -- our new president is here, Dr. Johnson. Welcome. This is your first ordeal in front of the full Council. We welcome you and hope it won't be that painful, although obviously these budgets are not the slam dunks that we've seen in other situations. Vice President Knapp.

Council Vice President Knapp,
Thank you, Madam President. And I would like to welcome everyone. Before we get started -- just to do introductions -- Dr. Johnson. And then we'll do some remarks and some opening remarks from you as well.

Dr. Johnson,
Thank you. Good morning, Madame President, Mr. Chairman, members of the Council. I'm Brian Johnson, President of Montgomery College.

Mary Kay Shartle-Galotto,
I'm Mary Kay Shartle-Galotto --

Council President Praisner,
Mike's on.

Mary Kay Shartle-Galotto,
I'm Mary Kay Shartle-Galotto, Academic Vice President for Student Services and Academics. Go ahead.

Mary Beth Pohl,
Mary Beth Pohl, OMB

Charles Goldsmith,
Charles Goldsmith, OMB.

Bill Campbell,
Bill Campbell, Executive Vice President for Administrative and Fiscal Services.

Donna Dimon,
And Donna Dimon, Director of Budget and Audits.

Council Vice President Knapp,
Welcome everyone. And I see we also have a number of the Board of Trustees and our Foundation Board are here who have joined us as well. So thank you for all of you coming and advocating. It's obviously a difficult year, as the Council President indicated. And it would be nice for us to just say everything should go in the budget, and there are obviously challenges each and every year. The nice thing is that with an organization



May 7, 2007

like Montgomery College, irrespective of what those challenges may be, the priority of education continues to be important for the Council and for the community. And I think the mission of the College is such that it focuses not just even on those students who have stepped out of high school and are looking at the next two years or even at the next four years; but I was struck during the course of our discussion this year that in addition to the 22,000 students that Montgomery College has, there also are an additional 60,000 students who work through in a variety of ways as it relates to coming to the workforce, working with businesses, working with a number of different organizations that the college opens its doors for. And so when we look at where we're going in workforce development, we look for college readiness; we look for all of the different facets that make our community viable and our economic viability continue to grow and expand. The College is a linchpin for all of those pieces. And so we've struggled through the discussion of the College's budget mightily because we saw that the various elements of need that are there to continue to make this work in the way that we need to make the College work, and I think we wrestled with putting elements on the reconciliation list. Dr. Johnson brought to our attention during the course of the education discussion that they've recently -- this was two weeks ago in the Sunday New York Times -- we're referenced as one of the top ten community colleges in the nation for a variety of levels. And I'm sure that Dr. Johnson's remarks will tell us all of the facts that went into that. But it goes to show you, first of all, that the New York Times -- generally not an organization noted for recognizing things like community colleges -- took an entire education section and talked about community colleges and went in depth into detailing the strengths and weaknesses of many. And I was very impressed with that; but then in addition to that, that our Montgomery College was on that list of the finest in the nation. And so I commend everyone for their efforts in getting us to that point and look forward to Dr. Johnson's tenure to taking us not just in that top ten, but really being on the top of that list moving forward. So with that I would turn to you, Dr. Johnson, for some opening remarks.

Dr. Johnson,

Thank you Mr. President. We certainly appreciate your involvement with the College and your knowledge of the efforts that have gone thus far and where we hope to take the college. You've adequately represented the position that we're here to talk about -- the 1,200 community colleges in the country. And the New York Times combed the nation, looked at all of these community colleges, and identified what they detailed as the ten best. The four things that were consistent in the ten that were selected was that these colleges had learning communities; they had wonderful honors programs; they had articulation agreements to four-year schools that were second to none. And they had highly credentialed faculty. The irony about our being here this morning is that we're here particularly to ask for support of those things that we have a reputation for doing well. And it's those learning communities and programs that support students in their first year experience. We are fortunate this morning to have trustees with us who, with me and the staff, share in thanking you for the historic support that this Council has provided to the College. But we do need additional resources that will help our students on their educational journeys, and we're here to discuss that. We've discussed previously the full-time faculty who work on moving this College toward the level of



May 7, 2007

excellence that it enjoys. And these faculty have articulated their need for help not only in the area of instructional support, but also in the area of instructional space. So we've narrowed our list significantly. And we know that the critical things that we need are an ability to open the Cafritz Arts Center, which was a former Giant Bakery. We need desperately to open a Goldenrod Building at our Germantown campus, and this building will provide us with space for additional classrooms and labs. We would also appreciate your help in furthering the renovation of our Commons building at the Tacoma Park/Silver Spring campus. The furtherance of this initiative would give us ten additional classrooms and two labs. The Tacoma Park/Silver Spring campus in the last three or four years has grown 21 percent in enrollments. And our job, really, is to keep the level of expertise in place that exists and to respond to the growth that is imminent; and we're here to further discuss that. We're more than happy to answer any questions about the specifics. Thank you.

Council Vice President Knapp,

Thank you very much. I will walk through the highlights of the committee recommendation; and then Mr. Sherer can walk through some of the specific elements for the Council to look at in more depth. I would note on the front page that the request from the College was \$191.4 million. Obviously, given the spending affordability allocations that we're open to address, the committee recommended – albeit amazingly reluctantly -- putting \$7.7 million of that request onto the reconciliation list. And we'll walk through some of those details of that in a minute. One of the most significant elements I would draw your attention to in the second paragraph is the \$606,000 that it says would be saved to the College, and I include this in the first 5-year phase of the GASB requirement that we've all been discussing. One of the challenges that we've wrestled with is that there are resources within the College -- I will note on Circle 46 that the College has in its retired health an additional \$1,000,000 in interest income that's used to cover that. So that that is "a fix," if you will, to address that shortfall. The problem is the way that we're structured with our spending affordability, that doesn't capture it; and so I just want for my colleagues to note that the resources exist to make that \$606,000 payment. It wasn't as though we were looking at that as a savings; we just knew there was a way to get there from here, and so we were kind of at a loss until we got through the actual budgeting process to get those two pieces addressed.

Council President Praisner,

Okay. The only thing we need to do -- and I don't want to do it here --

Council Vice President Knapp,

Right.

Council President Praisner,

-- is have staff go back and verify that those monies are outside of the actuarial assumption that got you to the \$606,000; because the actuarial assumes revenues in the funds which are contributions plus interest that get you to the calculation for this year. So you can't use them to make the payment if they were the assumption of the calculation for the payment. I don't want to discuss that here because that work needs



May 7, 2007

to be done with green eyeshades and a calculator, neither of which I think – Well, I have my calculator; but I'd rather not use that. Solar powered. Yeah. So let's just -- we have two weeks of budget, and we need to finish this and assume that and fix that; but if it is possible to do that without damaging the actuarial assumption, that's money you've generated. But if it is not, it's calculated within the assumption of the payment, then we'll have to take an unrecommended, across-the-board reduction that is not associated with that. So we'll reconcile that and deal with that outside of this process.

Council Vice President Knapp,
Right.

Council President Praisner,
Thank you.

Council Vice President Knapp,

The other piece that I would just address is, I'd asked the College to -- if you look back on Circle 46 -- Circle 43, I apologize -- there are a series of reductions that the College had recommended. What I'd ask them to do -- if you'll note, number 1 on that Circle 43 is a \$4.3 million reduction, which actually gets to Dr. Johnson's notion of opening both the Cafritz Center and the Goldenrod Building -- I'd asked them to try and break those out into smaller, bite-sized increments that we could put on the reconciliation list. They've done that. And in further consultation with the College, I'm not sure that makes any sense to do that because quite honestly with all three of those facilities -- three of those projects -- they are capacity issues which will address our ability to actually meet the needs of students who are right now not taking classes because they don't have space in which to take those classes. So I'm not sure it makes any sense for us to break those out and do those in increments, although we'd asked them to do that and they were compliant with our request and I appreciate that. Those are kind of some of the high levels that we're looking at. I would have Chuck kind of walk us through the packet, and then we can break out some specific topics as we get to them. Also, I think it's important just to kind of do a quick summary of what you've got -- from what you did for the committee, just so people can see where the resources are coming from and especially some of the enrollment issues.

Chuck Sherer,

Well, on page 4 of the memo, that's where I summarized the entire budget for the College and showed the FY07 approved and the '08 request and the percentage change. And on page 5 is where I showed the funding for the budget, at least for the current fund. And you can see that the Montgomery County is contributing about 50 percent of the College's budget: tuition fees, 31 percent; State aid, 14 percent. And when I looked to see what the average in other community colleges was, I saw that in other parts -- well, the state average for County funding is 33 percent. So in Montgomery County, you're contributing almost 18 percent more than the state average is. And with respect to State aid, the state average is 25 percent of the budget whereas in Montgomery County it only covers 14 percent of the budget. So I thought that was interesting to see -- how much more support the County gives.



May 7, 2007

Council President Praisner,

That is so dramatic -- information presented that way -- that I think we need to continue to highlight that point wherever we can. Nancy, you wanted to comment?

Councilmember Floreen,

Yes, I did. Do you have a breakout as to what the -- that's an average. So there are some jurisdictions with very significant contributions as well. Do you have something that shows that?

Chuck Sherer,

I think I have a table that shows --

Council Vice President Knapp,

If you look on Circle 16, it shows the community college funding formula from the Cade formula --.

Councilmember Floreen,

Circle 16?

Council Vice President Knapp,

Circle 16.

Council President Praisner,

Remember the Cade formula also does some things to support and protect certain jurisdictions in certain community colleges in the process of creating the formula. There is a minimum payment, as I recall, as part of this process. Isn't there anymore? Or a minimum enrollment assumption? Something like that -- Bill? Bill, put your mike on.

Bill Campbell,

Thank you. Small colleges.

Council President Praisner,

That's what it was.

Bill Campbell,

The small colleges -- and there are, I believe, eight -- receive special funding through the Cade funding formula; and I believe they also get a separate -- a grant outside the funding formula as well.

Council President Praisner,

That's what I meant. Thank you.

Bill Campbell,



May 7, 2007

And so they're treated differently. And so there is a maximum size for a college to be considered a "small" college; and if you fall under that, then you get the money. If you exceed it, you lose that money.

Councilmember Floreen,

Well, this is why I didn't go to accounting school. (Laughter)

Council President Praisner,

That's why I said "no green eyeshades."

Councilmember Floreen,

You'll all be glad that I didn't. But I guess my question is, Do we have a piece of paper that would show us what the percentage of funding is for the different jurisdictions?

Chuck Sherer,

I think Circle 19 has that.

Council President Praisner,

Don't forget there are some counties that have to share a community college, and then there's the Baltimore City situation which isn't even here because the state funds that. So then Baltimore City is 67 percent State aid, and there's no local aid?

Chuck Sherer,

Right.

Councilmember Floreen,

So that's the differential. Okay. Thank you very much.

Council Vice President Knapp,

Now, and I think that's one of the things that was important as we walked through that – that even though we get a large number, a large overall amount, that the percent our students actually receive is significantly less – end up paying more than virtually every other community college students in the state, but for Prince George's and Howard County. So, again, this kind of goes on the list of things we need to continue to be advocating for – down at the State House especially – as we begin to look at whatever additional revenue generators we're looking at this year.

Council President Praisner,

The only comment I would make is, I doubt that the Cade formula's going to be changed again -- unless they create another task force. And I don't think Delegate Heller is up to it. I mean, I think he'd resist after all the -- this is a -- going back to the Cade formula, modified. I mean, there've been several generations of Cade formulas, as Former Delegate Coonihan knows.

Council Vice President Knapp,

Mm-hmm.



May 7, 2007

Council President Praisner,

So I doubt that they will review this. I think we need to look at the relationship between the four-year institutions and the community colleges -- the growing use of the community colleges in the state by folks, and also this focus on the tuition freeze at the four-year institution while tuition increases are being -- of necessity -- made at the community colleges while the new governor has argued for a freeze at the four-year issue. So I think we need to frame our conversation in a way that may not be formula-driven but to look at those other pieces, because I don't think they'll want to change the formula again. I may be totally wrong, but I just don't see that. I think we need to argue more overall funding through the formula, or whatever at this point or special capital -- actually I think it's the Capital Budget area that will be likely to generate more interest at the state level. That's just my --

Council Vice President Knapp,

That's fair. Chuck?

Chuck Sherer,

Last year at this time, the college presented a budget that did not require an increase in tuition and fees for FY08. They couldn't keep tuition the same; they had to increase it. And the board did vote to increase the tuition -- the increase was roughly 3 percent. And that breaks down to an increase of \$3 per credit hour for in-County residents, \$6 per credit hour for in-state residents that aren't in the County, and \$9 for out-of-state residents. And even though State aid funds a relatively small part of the College's budget, it is going up 18 percent over the previous year based on the phase-in of an increase in Maryland state funding to get back to where we were several years ago.

Council Vice President Knapp,

Okay.

Chuck Sherer,

With regard to enrollment, that is a large part of the basis for the College's request. And they're projecting an increase in credit hours of 2.6 percent from '07 to '08; and for the five-year period, '07 to '12, they're projecting an increase of 7.3 percent which is an annual increase of roughly 1.4 percent.

Council President Praisner,

Can I ask one more question?

Council Vice President Knapp,

Sure. Madam President?

Council President Praisner,

Yeah. When they talk about "resident" in the chart on Circle 20 -- when you talk about "residents in Maryland outside service area," that term is used because some of the counties are pooled together for Chesapeake. Is that why? The service areas are



May 7, 2007

coterminous with the – are the counties, aren't they? Or is there another definition of "service area"?

Bill Campbell,

Yeah. In this, it would include -- the service area would include those -- all of the jurisdictions for a community college that supported it. So, for example, for Chesapeake it would include those three jurisdictions –

Council President Praisner,

Right. That's what I meant. They use the term "outside" -- they don't say "outside the County" because there are those two community colleges, Chesapeake and Southern Maryland, that are multiple counties.

Bill Campbell,

Correct.

Council President Praisner,

Okay. Thank you. I'm sorry. Chuck, do you want to go on? Or Mike?

Chuck Sherer,

I guess I would then just highlight for the moment the issue of distance learning which is beginning to assume a greater and greater importance in the College. In the current fiscal year, distance learning accounts for about 6.4 percent of their credit hours; and they project that will increase to 9.1 percent by FY12 – which is a 53 percent increase.

Council President Praisner,

Have you calculated -- from a distance-learning perspective – "cost" versus "cost avoidance," so to speak -- a benefit kind of discussion?

Bill Campbell,

We haven't done a full cost analysis like you're suggesting; but what we did do before we ever really set up distance learning, we hired someone who had a great deal of experience with it and helped us to plan it in a very logical, constructive way so that we made sure we looked at total costs. We anticipated for it. And, actually, his opinion was that you should not think you're going to save money with distance education – that you spend it in different ways. He said in our case, we should consider that we're building a fourth campus; and that's basically the way we have approached it because –

Council President Praisner,

Well, but there are different costs associated with building a campus; so it may not be –

Bill Campbell,

Right, but -- it may not include all the capital costs –



May 7, 2007
Council President Praisner,
That's what I meant.

Bill Campbell,
-- but it does include much more in the way of operational costs than you perceive at first. When you start talking about, for example, the counselors that will work online with the students; you know, it's just like if they were coming to the campus. Or the tutors -- same thing. And so that there's not -- we don't look at it as a way to save significant costs.

Council President Praisner,
But given the capital crunch that we have and given the fact that -- I think we were on a conference call interview with one of our applicants for a committee who was telling us that when she was being interviewed by us, she was in Florida serving as the professor for students who are overseas, as well as here, in University-of-Maryland-associated programs. And the University has obviously been very engaged in overseas centers, et cetera, for --since I was in college. And that's a long time ago (Laughing) But the point I'm making is, I think there's going to be more and more interest in -- and whether it's in your student right out of high school -- it's more likely to be in your continuing education role with employers and with those who may not be -- it may not be in students who are full-time students, or it may be. But it just seems to me that it's a growing demand that's going to come up, if nothing else. And whether it's traffic avoidance or ease or expansion of opportunity, it's going to be there.

Dr. Johnson,
Madam President, we've looked actually at things like traffic avoidance because we certainly want to be responsible to the ecology.

Council President Praisner,
Mm-hmm.

Dr. Johnson,
So things like distance learning are high on our radar screen and have a very prominent place. We've transferred in the last year over a thousand students to the University of Maryland's University College -- which is primarily online. So there's a very strong partnership there, and there's an expectation from President Aldridge that we'll continue that relationship. In response to asynchronous learning, we do need support from a student help desk for students that choose space over place as their learning method. And this is an area that we anticipate growing in. I think Chuck's numbers suggest that we're moving to something like 9.1 percent. I would suggest that there's also a growing population of students who choose both methods -- who are in space and in place -- and learn --

Council President Praisner,
A combination.



May 7, 2007

Dr. Johnson,

A combination -- hybrid learners. And that's something that's unavoidable. The demand requires us to respond.

Council President Praisner,
Councilmember Berliner.

Councilmember Berliner,

I had a question of staff because I was a little confused by the packet, which is not totally surprising. Referring to page 5, where it shows in the chart that the increase that is sought for County funds is \$10 million? \$10.4?

Chuck Sherer,
Yes, sir.

Councilmember Berliner,

And then I turn to page 13, and I see changes in the current fund; and the College is requesting an increase of \$20.3 million for the current fund. So could you tell me the relationship of the "current fund" to the "tax-supported dollars"?

Chuck Sherer,

Well, on page 5, that \$10.4 million is County funding -- yes, of the current fund. On Circle 13, that's a \$20 million increase in expenditures. It doesn't show the source of funding of that at all; it's just the expenditures. So the difference is between funding of the budget and the expenditures. And approximately half of that \$20 million is funded by the County.

Councilmember Berliner,

And do we have a breakdown as to -- does it change with respect to -- are there some items that have a higher percentage of County funds with respect to, for example, the \$11 million for salaries?

Chuck Sherer,
No, sir.

Councilmember Berliner,

Is that a higher percentage of County dollars than other categories or --

Chuck Sherer,

The way you look at it is that all of the expenditures in the current fund are funded by all the revenues. You don't associate any one revenue in the current fund with an expense. I don't know if I can give you an example. Say if you bought a car and you fund -- and you've got a salary and you've got some interest income and some rental income. You don't say that, Well, part of that cost of that car was funded by my salary and part by the interest and part by the rental income. It's just all the revenues used to fund all the expenses.



May 7, 2007

Councilmember Berliner,
Thank you.

Council Vice President Knapp,
But I think it is fair to say that of the \$10.4 million – I mean, the committee reluctantly put \$7.5 million on the reconciliation list -- which means, effectively, of the \$10.4 million that the College had requested that we were able to fund roughly \$3 million.

Chuck Sherer,
That's quite a reduction.

Councilmember Berliner,
And do I understand that the \$10.4 million then translates roughly into the \$20.3 million?

Chuck Sherer,
It would be used to fund the \$20.3 million -- under the College's request -- the \$10.4 million –

Councilmember Berliner,
If we were to fund the \$10.4 million for purposes of this conversation, would that get to the \$20.3 million then?

Chuck Sherer,
Correct. Yes, sir – fund half of it.

Council Vice President Knapp,
And in the absence of that, it'd be at the \$13 million level.

Councilmember Berliner,
Thank you.

Council Vice President Knapp,
Okay.

Chuck Sherer,
I think I would just mention the table on page 13 which actually, I guess, gets into the question that Mr. Berliner was just raising about the \$20.3 million increase; and this shows the components of that increase. And it shows how difficult it is to reduce the College's budget because so much of the expenses are, you might say "built in." Just the salary and benefit increases for existing positions account for more than half of the increase. And then to accommodate additional enrollment, that's another \$825,000 for full-time faculty and \$337,000 for the part-time faculty.

Council President Praisner,



May 7, 2007

I think it would be helpful at this some point -- not this year, but in subsequent budget reviews of the College -- for us to have you present to us where you've done your efficiencies or restructuring or where you've taken modifications in the base. I think this Council is very interested and will be spending time off budget discussions about the base of budgets. And that will require probably more discussion about the College budgets, should the Education Committee want to focus on that one or the Council have questions about that one. We'll need more time focused on the base, and not just what you're adding to the budget. So, you know, what elements have you gone through in the development of the budget to save money in the base or to redirect revenues or expenditures to more accommodate the priorities that you might have? So I think we will probably have more of that discussion -- not today, obviously -- but in subsequent discussions, whether they are during the budget process or outside the budget process.

Council Vice President Knapp,

And I might add that the Council -- or the committee actually did begin that process; and interestingly if you look at Circle 11 --

Chuck Sherer,

I'm sorry. Page 9 and 10 also has some of that.

Council Vice President Knapp,

Page 9 and 10 talks about the PAR process. And then if you even go through on Circles 11 and 12, we walk through, really, the numbers that make up the institutions within the entire process and really take a look at what is ingoing into that base, and how much is driven by enrollment versus how much is driven by additional activities. And so we are -- pursuant to the same process we're taking with MCPS, we're taking the same process with the College as well. Okay? I think probably at this point, the biggest other outstanding issues to look at are the recommendations that the College had made back to us as to where they would approach their \$7.7 million in reductions. And if you look at Circles 43 and 44, it walks through -- kind of in reverse order, if you will, the things that if they were to pull off a reconciliation list, what they would pull off first. And the top two are the opening of the Cafritz Foundation Arts Center and the Goldenrod building. I think the important part about both of these is there are costs associated -- both in personnel and just operating expenses -- but the reality is if we don't do this, we effectively have two buildings that we're actually paying for and paying leases on that are sitting vacant that could actually go to educating our students. The second element is -- it has been a stated priority of the Council to have a 60/40 full-time faculty to part-time faculty ratio. This next million is the first element of faculty positions which get us to that point. It doesn't get us to 60/40, but they're broken up additionally -- they have twenty additional positions they've broken up into two elements of ten. So this is the first of those. The third is the elimination of five positions for emergency preparedness, safety, and security -- kind of speaks for themselves. Four is part two of the additional faculty positions. Then reduction amount for a Board of Trustees grants. And then in six, we're looking at additional positions, which are actually what the committee and the Council had said last year, was actually 60/40 has been the goal that we try to go on to work to get to 65/35. And so we're going to try to do a percent a year increase of full-



May 7, 2007

time faculty vs. part-time faculty. This element, Number 6, would get us to a 61 percent full-time vs. part-time. And then Number 7 is the approach to try and help that which we've already discussed.

Council President Praisner,
Okay. I see Councilmember Elrich's light.

Councilmember Elrich,
I was actually looking at those numbers -- and I'm trying to figure out how ten full-time faculty members are \$1 million on one page, and ten full-time faculty members are \$900,000 on the next page. And then seven full-time faculty members are \$315,000 in the third line. And I know what you guys pay faculty members, so I can't even get to 10 equals a million on what you pay them to begin with. So, why are they different?

Bill Campbell,
The incremental cost for a full-time faculty member is about \$45,000. What you have in the first two items, items 2 and 4, are academic program enhancements as well. So in the first one, you'd have like \$450,000 for incremental costs for the full-time faculty and \$550,000 for costs for academic programs and Student Service Support. So it's a combination of two things. So it's not all faculty in either case -- it's a combination of faculty plus instructional-related staff, and student-service-supported staff, and other things to support the academic program.

Councilmember Elrich,
But the last seven people don't require any of those supports? Because they're just -- 7 into \$315,000 is about \$45,000 -- or it is \$45,000.

Mary Kay Shartle-Galotto,
Number The -- well, the enhancements make up half of the first of Number 2 requests and then half of the other -- so we have ten faculty in each, and then the rest is enhancement. In the last one, it's simply faculty -- it's seven faculty.

Councilmember Elrich,
So if we gave ten faculty, that wouldn't be enough to address -- Well, in the request there are specific program enhancements -- like tutoring, professional development for faculty, that sort of thing -- that's the kind of thing that I mean by enhancements.

Bill Campbell,
It also includes a number of lab assistants. One of the things we've talked about with the Education Committee is the fact that how much our chemistry and biology programs have grown over the last four or five years -- over 50 percent throughout the College for each of those two programs -- and yet we haven't been able to add any additional lab support to prepare the laboratories for them. So those are the kinds of people that are included in the academic support area, as well as the tutors and people like that.



May 7, 2007

Councilmember Elrich,

So if you got ten faculty members without the academic support, it wouldn't be useful?

Mary Kay Shartle-Galotto,

It would be very sad if that happened.

Councilmember Elrich,

Okay.

Mary Kay Shartle-Galotto,

We've been waiting a long time for those tutors.

Council President Praisner,

Well, but the Council's trying to find ways to give you funds and may not be able to take a \$4 million amount off or a \$1 million or a \$3 million. I don't know where Councilmember Elrich was going, but I'm trying to look at variations that provide opportunities for you.

Dr. Johnson,

Madam President, one of the things that is embedded in what we're calling "enhancements" is the support arm that goes into making these programs excellent. When the New York Times came out, for example, and identified these wonderful things about the College, the thing they didn't research is how these things have been sustained. If they had gone in one layer deeper, what they'd have found out is that in some of these programs, while they've been fabulous, we've been flying by the seat of our pants and we haven't had -- that's just a very frank way of saying it. We haven't had the --

Unidentified Male Speaker,

New York Times isn't here, right?

Council President Praisner,

No. But they watch it on TV.

Dr. Johnson,

They haven't had the sustainability. Well, I meant we've been in these industries for a number of years; and we know that part of being creative is putting together programs and then trying to find a way to sustain them. And our plea to you today is to give us the ability to sustain these programs.

Council Vice President Knapp,

Well, and I think practically, if given the increase you've seen in biology students -- which is, I think, up from 6,000 to 8,000 additional biology students -- if you bring on an



May 7, 2007

additional biology professor but don't have the additional lab support, it really doesn't make a difference if you have the biology professor if the student can't take the lab.

Dr. Johnson,
Right.

Council Vice President Knapp,
And so to some extent –

Mary Kay Shartle-Galotto,
That's what the enhancements –

Council Vice President Knapp
That's what a lot of these -- at least these initial set of positions are.

Mary Kay Shartle-Galotto,
Right. And as I've said many times, we haven't added chemistry support in the labs for thirty-four years. And although the numbers keep going up and we do cope, but you cope by putting on student assistants or part-time people; and you don't cope by having the full-time person you need, and that's what we're asking for. That's the kind of enhancement.

Council President Praisner,
Well it might be, at some point, helpful to break it down by program more -- so that you put the faculty and the supports needed together rather than in an aggregate.

Mary Kay Shartle-Galotto,
Right.

Council President Praisner,
So that folks understand the demand for biology and what's associated with biology, rather than a full complement that doesn't necessarily get you to the end result. That is just, I think, a way in which we're going to have to look at things -- just like we're we're looking at whether -- and I know I'm not equating the same things -- but when we look at recreations and say, "Well, we can't add another tennis program, or we can't add X or Y," we may have to start looking at it curriculum-specific in order to understand the cost of different pieces.

Mary Kay Shartle-Galotto,
Right. Believe me, we've had many discussions to identify those priorities -- painful discussions; but we can certainly do that.

Council President Praisner,
No -- I think just for our presentation -- to us -- so folks know what they're buying, it would be very helpful to the taxpayers, as well as to all of us.



May 7, 2007
Council Vice President Knapp,
Yep.

Council President Praisner,
Marc, do you have more questions? Comments?

Councilmember Elrich,
No, I think I would really like to get more information in the future on this. It's just puzzling – it's \$55,000 in support for a \$45,000 position and just -- I don't know. I would have liked to have seen them separate and understood what it is we're getting for each piece. Would you rather have – would you have come here and asked for support and not positions? Do you need the support anyway?

Mary Kay Shartle-Galotto,
Well, we need –

Councilmember Elrich,
Try to separate these things out -- "what you all really need" is the question.

Mary Kay Shartle-Galotto,
Well, we need the positions; and we came in, in the beginning, asking for 20 positions just to keep up with enrollment. But with our other priority, we had the many needs in our labs, in our centers -- and I could detail each of those positions for you.

Council President Praisner,
I think that's what we're asking for, Mary Kay.

Mary Kay Shartle-Galotto,
Well, we –

Council President Praisner,
Not right now, but in writing. If you could provide that in writing, I think that's what Councilmember Elrich is asking for.

Mary Kay Shartle-Galotto,
The justification. Absolutely.

Council Vice President Knapp,
And they do have that, and we actually spent a great amount of time during the budget review walking through each of the individual positions. And if you -- Circle 37. And so if you walk –

Chuck Sherer,
The spreadsheet -- the one summarized is on 28, 29, and 30. But that's just a very brief summary; then the detail on all those positions follows. So I think they probably have provided that.



May 7, 2007

Council President Praisner,

Well, it's still not packaged in a way -- the way that -- I think you talked through in the committee --

Council Vice President Knapp,

We did.

Council President Praisner,

-- but it's not packaged in the piece of paper that highlights those issues. So I think it would be helpful to have it that way. Okay. Councilmember Ervin.

Councilmember Ervin,

Just a quick question. I've really appreciated how Montgomery College has been very attentive to all the questions that we've asked over the last -- I don't know how many weeks it's been you've come to committee. But I wanted to ask a question related to your Middle States self-study and whether or not your inability, if it's not funded, to support these faculty positions -- will that have any adverse effect on your accreditation with Middle States, or how you are dealing with that in your self-study?

Mary Kay Shartle-Galotto,

Bill, do you want to talk about that?

Bill Campbell,

There isn't a minimum percentage of instruction that's required to be taught by full-time faculty at the Middle States. The state does have a minimum standard which we comply with. But there's the overall ability to deliver instruction, which is really what middle states will be looking at as to whether or not we're able to carry out the mission that we've stated we want to carry out. And that's what they'll assess; and we won't, obviously, be able to do quite as good a job at demonstrating that if we don't have the additional full-time faculty.

Council President Praisner,

Councilmember Floreen.

Councilmember Floreen,

Thank you. Just to understand the cost issue, again, I'm looking at Circle 28 and 29 that, I guess, Chuck pointed out to us. To open Goldenrod and these facilities that are ready to be opened basically, is the correct number for operations \$1.2 million -- that \$1.226067?

Bill Campbell,

That is the positions for the new buildings. It doesn't have the operating expense in there -- that's low.

Councilmember Floreen,



May 7, 2007

But that's the number to staff those buildings; is that correct?

Mary Kay Shartle-Galotto,

And then you have to add line 88 as well on Circle 30 -- that's the maintenance cost, the utility costs, the infrastructure for IT, the rental for Goldenrod, and the taxes.

Councilmember Floreen,

So it's \$2.6 -- that \$2.6 million number? \$2.644 million and the \$1.226 million? And -- well, what are the numbers on the front page then -- of the memo -- \$1.5.3 million and \$2.5 million?

Bill Campbell,

I'm sorry. What page are you on there?

Councilmember Floreen,

First page -- at the bottom.

Bill Campbell,

Oh.

Mary Kay Shartle-Galotto,

That doesn't include all our new facilities -- for example, we have Gude on there which is not in this list, but it's on the list -- on the grid on the spreadsheet on 28.

Councilmember Floreen,

So to opening buildings, it's -- what is that? -- \$4.3 million on the front page; and then the \$2.6 million and the \$1.2 million?

Mary Kay Shartle-Galotto,

It's the same thing. The one on the grid is detailed information to build up to the numbers to get to the \$4.3 million.

Councilmember Floreen,

Oh, okay. It's the same.

Mary Kay Shartle-Galotto

Yeah.

Councilmember Floreen,

All right. So --

Mary Kay Shartle-Galotto,

Just different formats.

Councilmember Floreen,

Just a different way of presenting the same information.



May 7, 2007

Mary Kay Shartle-Galotto,
Right.

Councilmember Floreen,
So this is the captured number that includes all the costs of opening those.

Mary Kay Shartle-Galotto,
Right.

Councilmember Floreen,
Including the support staff and the like for the buildings?

Mary Kay Shartle-Galotto,
Yes.

Councilmember Floreen,
Okay. Well, thank you.

Council President Praisner,
Yes, Councilmember Berliner?

Councilmember Berliner,
Just to follow up on that, with respect to the Goldenrod building, it's my understanding that if that doesn't open, you will have an incremental cost of \$1.5 million with respect to the lease whether it opens or not.

Bill Campbell,
Correct.

Councilmember Berliner,
That's not true, as I appreciate it, with respect to the new Cafritz Building; is that correct? There are no incremental costs incurred as a function of not opening that?

Bill Campbell,
The Cafritz Building is actually opening right now.

Councilmember Berliner,
All right.

Bill Campbell,
And you -- the Council partially funded the opening of the Cafritz Center in FY07. And this is the incremental cost to pay the rest of the salaries and the utilities and the



May 7, 2007

maintenance supplies and all of that for the rest -- for the other nine months of the year, in a sense.

Councilmember Berliner,

So the -- thank you for that clarification, but run it one more time. So the \$1.5 million with respect to the Cafritz represents what?

Bill Campbell,

It is nine months of the costs, basically, for a building that's already ready to open. You gave us --

Council Vice President Knapp,
Additional salaries --

Bill Campbell,

Right. You gave us money to hire X number of people this year, to pay for utilities, and some maintenance supplies and things like that, to start the opening of that facility this fiscal year. This is the incremental cost to now be able to pay those people and to operate the building for 12 months.

Councilmember Berliner,
Thank you.

Council President Praisner,
I don't see any other lights.

Council Vice President Knapp,
Okay. So at the conclusion of its discussion, the committee reluctantly voted to basically put all of what you see in Circles 43 and 44 on the reconciliation list in the absence of any other way to move forward.

Council President Praisner,
Okay. And we're going to follow up on getting a little more breakdown information on items 2, 3 -- no, I'm sorry -- 2, 4, and 6, I guess.

Council Vice President Knapp,
Right.

Council President Praisner,
The new positions. And we are going to get clarification --

Council Vice President Knapp,
On Number 7.

Council President Praisner,



May 7, 2007

-- on the actuarial information on 7 as to how or if that can be incorporated in that way. Okay? Anything else on the Operating Budget before we move to the Capital Budget? Talk about frying pan to fire, right? (Laughter)

Chuck Sherer,
Before moving on, after the -- well, the Education Committee met Thursday on an item with respect to adult education.

Council Vice President Knapp,
Right.

Chuck Sherer,
This is after I had sent the item you just discussed to the print shop, so I put in an addendum dealing with MCAEL.

Council President Praisner,
Right.

Chuck Sherer,
I found out that Mr. Knapp did not get his copy; I don't know if other councilmembers received it or not. If they didn't, we might have to postpone this to another time.

Council President Praisner,
You don't have it?

Council Vice President Knapp,
I do now. We can work through it very quickly.

Council President Praisner,
Are you okay?

Council Vice President Knapp,
Oh, yeah.

Council President Praisner,
Does anyone else not have it? It's addendum - agenda Number 3. It's the ESOL piece. Two pages? Who needs one?

Councilmember Trachtenberg,
Councilmember Floreen does.

Council President Praisner,
Okay. Anyone else need the addendum? All right. Let's see if we can work through. If we can't, we can always come back with follow-up questions or comments. Go ahead.

Chuck Sherer,



May 7, 2007

Mr. Knapp, why don't I take this one since I brought this to your attention on Thursday?

Council Vice President Knapp,
By all means.

Chuck Sherer,
A couple of issues here. The Executive did recommend a \$400,000 community grant for MCAEL to continue to work that you funded for them in the current fiscal year, and the committee recommended approval of that. So that's the first item.

Council Vice President Knapp,
Right.

Council President Praisner,
Okay.

Chuck Sherer,
Then, secondly, MCAEL's FY08 Operating Budget had three sources of revenue – the \$400,000. And the Operating Budget is on Circle 1 – the \$400,000 that the Executive had approved. Then they have a target of raising \$64,000 from new donations and grants. And finally, the third source of funding is they wanted the Council to reappropriate the unspent and unencumbered balance for the FY07 appropriation, which is \$575,000. And I suggested that the Council do that, just as a one-time mechanism to fund their budget. But I had discussions with OMB earlier today, and they're suggesting doing it a different way. They're suggesting to let that appropriation lapse, which is what normally happens.

Council Vice President Knapp,
Right.

Chuck Sherer,
And then to add to the Executive's \$400,000, \$123,000 additional appropriation for FY08. Now, that would not make any difference to MCAEL; they'd have the same budget either way. But it would cause you to expand – your '08 budget that you approve would be up – would be \$123,000 more if you did it that way. That would be a preferable way to do it.

Council President Praisner,
Okay. Well, we'll decide that through the reconciliation process; but, in essence, were not spending -- we're not finding new money?

Chuck Sherer,
Right.



May 7, 2007

Council President Praisner,
It's just the continuation of money that they didn't spend this year.

Chuck Sherer,
That's right.

Council President Praisner,
And whether it's in the resolution or whatever, we have to deal with this issue. But I thought -- the money normally would go into the general fund balance --

Chuck Sherer,
Right.

Council President Praisner,
and it's not being captured in the fund balance to date?

Chuck Sherer,
It has not been. OMB did not assume any unspent grant funds.

Council President Praisner,
Okay. So they assumed --

Council Vice President Knapp,
And for clarification, when we discussed this with MCAEL, the issue was all of the funds -- as they have indicated -- are encumbered, they've just not been expended.

Council President Praisner,
I don't understand why, if they aren't not encumbered already, then why they even have the money to carry over?

Chuck Sherer,
Well, if they have -- they are not encumbered.

Council President Praisner,
Well, let's -- I want to call on Councilmember Leventhal. This is an issue we could give two weeks to fix. But I'm not certain that this is the same thing as some of those other funds we've talked about. George.

Councilmember Leventhal,
I'd be happy to wait to get the answer to the question of what is the difference between encumbered and available. So I'll defer my question until that's answered.

Council Vice President Knapp,
Well, one of the issues -- the biggest issue that they've identified as the reason that this D3 structure still exists is that they are currently sharing systems within the College. And



May 7, 2007

so they've been trying to kind of extract that whole process to distribute resources, and it's just been much more cumbersome than they had identified. And so what they did is, they said they've identified where the resources are going. They just haven't been able to manipulate the process because of the fact they're doing things with the College -- or through the College. And so they've asked for kind of an extension for this year, recognizing that they're setting up their own system as we speak. And so that they will be able to -- through the course of the next year -- apply those resources as they come available through the year as opposed to trying to do it all -- they're basically doing the system twice as I kind of understood it.

Councilmember Leventhal,

So, if I understand this correctly then, they know where they want the money to go --

Council Vice President Knapp,
Correct.

Councilmember Leventhal,

and the Council action is necessary to let them hold onto the money --

Council Vice President Knapp,
Correct.

Councilmember Leventhal,

So that \$123,000 that they've already, in effect awarded, but they won't send out the door by July 1, they can continue to award to the recipients who they want to have receive it. Otherwise it would just go back into the general fund.

Council Vice President Knapp,

Right. As the committee understood it. Correct.

Council President Praisner,

And the question is, What's the best way of doing that?

Council Vice President Knapp,

Right. That's exactly it.

Councilmember Leventhal,

That's clear, and I understand it now. OMB has now compiled -- or is in the process of compiling -- a third quarter review of overspending and underspending? Is that correct? When is that complete?

Mary Beth Pohl,

I don't honestly know when that will be complete. I know it's been under review, but I don't know. I could get back to you with that though. It should be soon.

Councilmember Leventhal,



May 7, 2007

Isn't it -- I was under the impression that it was about to be transmitted to the Council President for her use in closing the books on '07 and figuring out what's available for '08.

Mary Beth Pohl,

I just couldn't give you an exact date, and that's what you're asking for. I just want to give you the right information.

Councilmember Leventhal,

Okay. Well, that's a great --

Council President Praisner,

Some of the books aren't closed until October.

Councilmember Leventhal,

Well, no, but the third quarter is going to be closed any day now.

Council President Praisner,

Yeah. But the books aren't closed until October.

Councilmember Leventhal,

Right.

Council President Praisner,

That's when we get the end-of-year full books closed -- is when they do July, June 30, and reconcile everything. We get that in October actually.

Councilmember Leventhal,

But you'll receive the report any day now regarding, in effect, our cash position.

Council President Praisner,

But they should have something that would tell us what's going on with overs and unders. But that's as of, I guess, the third quarter -- not the full budget.

Mary Beth Pohl,

Oh, I'm sorry. You should be able to get that by the end of the week.

Councilmember Leventhal,

Uh-huh.

Mary Beth Pohl,

Sorry. (laughter)

Council President Praisner,

Okay. Does that help? Yeah, I mean it's clearly -- it's relevant to this. Yeah. Right.

Councilmember Leventhal,



May 7, 2007

But I also understand why MCAEL wants us to enable them to hang onto the money.

Council President Praisner,
Right. Okay.

Council Vice President Knapp,
Okay.

Council President Praisner,
All right. So if there's nothing else on the MCAEL issue, it's acceptance of their having the access to those funds, whether -- Whatever the best way to do it is. whatever the end of the year is -- whatever the best way is. And we'll deal with that. Okay?

Chuck Sherer,
So you want staff to come back with a recommendation to you?

Council President Praisner,
We'll deal with it as part of the final budget process. But the Council's accepting in support of them having access to the money.

Council Vice President Knapp,
Right.

Council President Praisner,
Right. Okay. Let's move to the CIP. Everyone have that packet? It's Number 4.

Council Vice President Knapp,
Number 4.

Council President Praisner,
It's a little thicker than the one we just dealt with. (Laughter) Okay. Capital -- different folks at the table.

Council Vice President Knapp,
Okay. They've shifted.

Council President Praisner,
OMB? College?

Council Vice President Knapp,
Introductions for the benefit of the new folks who come to the table?

David Capp,
David Capp, Chief Facilities Officer for the College.

Jacqueline Carter,



May 7, 2007

Jacqueline Carter, Acting CFE Manager, OMB.

Council Vice President Knapp,

Great. Thank you. I think maybe everyone's already heard most of this story -- that the College had submitted \$40 million to the state for projects that were eligible for funding and received a whopping \$1.275 million of that request. Obviously that puts them in a bit of a hole; since even using state calculations, by 2012 they will need five hundred -- an additional 50 percent space over what they have today in order just to meet fairly conservative student projection estimates. And so what the -- the elements of the College's revised requests are on Circle 27 and are summarized below. The College requests amendments for twelve to thirty-eight projects -- nine for increases to match increases the state approved to recognize increased costs of construction that has occurred; one for an increase in the cost of furniture and equipment at the Cultural Arts Center which is part of the Tacoma Park Campus Expansion Project; and the College has deleted two projects -- the Information Science Pavilion renovation and the Student Services Pavilion renovation, Tacoma Park/Silver Spring. Instead of full renovations, the College will make slight changes if needed using College staff and will perhaps use these buildings as "surge" buildings when the other parts of the campus are renovated. One of the things that we've asked the College to do -- because unlike where we are with the state, or the state within MCPS, where we have effectively forward funded a number of projects, and we recognize that while it's still a gamble, we have generally been reimbursed for those resources --

Council President Praisner,
Sometimes many years later --

Council Vice President Knapp,

Right. But we've gotten it The College doesn't operate in the same way. And so that if the County were to forward fund a number of those projects, effectively what we've then just assumed is the financing of those projects. And so one of the things that we'd identified from the College was to see if there were ways to parse out projects in such a way that we could continue to keep some of those projects on track and still be able to maximize the eligibility for state funding eligibility. And I haven't seen anything back from that yet. In addition, Council staff recommendation for reconciliation -- Dr. Orlin included twenty-one projects from the College that may have to be amended to reconcile the CIP. Obviously at this point, no specific changes are recommended. But one of the projects is for the College is Panned Lifecycle Asset Replacement. So we will get to that point once the full CIP reconciliation comes forward. So that's kind of the background of this project.

Council President Praisner,

Are there other counties that are forward funding or assuming any capital budget obligations for the community college -- theirs or providing -- we just looked at the chart that talked about the distribution Cade, etc. But do we know of any community contributions -- of state obligations on these issues?



May 7, 2007

David Capp,

No, ma'am. And I'm not aware of any. The facilities planners for all the states get together once a month -- once every two months -- and discuss capital projects and planning and such. And that discussion has not come up, to my knowledge.

Council President Praisner,

Okay. Are there other community colleges that are facing the problem of facility issues? I think I know the answer to that.

David Capp,

Virtually every single one.

Council President Praisner,

So it would seem to me that that is where an initiative at the state level for a program that recognizes school construction -- well, we already know the problem we're going to have next year as far as school construction is concerned. But we should not let them ignore the problems of the community colleges at the same time. So although there's no reimbursement for forward funding, there's no funding period.

David Capp,

Right.

Council President Praisner,

A formula or otherwise that would get us to any place of understanding what's likely to be the funding in the future.

David Capp,

Correct.

Council President Praisner,

So from a capital budget formula issue, that would seem to me to be a place where folks want to look at that issue.

Bill Campbell,

You're absolutely correct. The requests for FY08 funding at the state were -- for the community colleges were about \$137 million; and they funded about \$56 million of that \$137 million. And the requests going forward for the foreseeable future look to be very similar, if not greater, for the community colleges.

David Capp,

And I would just add one thing which is, the past year's legislative agenda for the Maryland Association Community College's number one priority was to increase the capital funding for the state, and we did not succeed.



May 7, 2007

Council Vice President Knapp,
Chuck, anything else we need to add?

Chuck Sherer,
No, sir. I think you summarized it.

Council Vice President Knapp,
Okay. That's the recommendation.

Council President Praisner,
Any questions from the committee or Councilmembers? Any comments? Obviously, the point I was trying to make is to not only make note that if we, in adopting our Capital Budget, do assume County funding there for part of the renovations, etc., there's no hope at this point -- unless one creates a formula and makes it retroactive -- that the County would be reimbursed in any way --

Council Vice President Knapp,
Right.

Council President Praisner,
whether it be dime for dollar or whatever. Yeah.

Council Vice President Knapp,
And the point there is we just -- we continue to reach that choke point. And so we're kind of caught in the midst of trying to figure out how to recognize that the need for additional space while at the same time meet the lack of resources other than whatever we may choose to put to that. And we didn't know that's the right answer, but wanted to at least make sure that was brought to the full Council for its consideration -- to consider what the next step should be.

Council President Praisner,
Okay. Capital reconciliation will take all of these issues. Anything else?

Councilmember Floreen,
I have a question.

Council President Praisner,
Yes, Nancy.

Councilmember Floreen,
This is just a question. And I don't attend the College Education Committee sessions, so I'm not up to speed. But the Cultural Arts Center is different from the Cafritz facility which is different from the Fine Arts? Is that correct?

David Capp,



May 7, 2007

That is correct, ma'am, on all three. The Cultural Arts Center is the new building which will be on the corner of Burlington Avenue and Georgia Avenue, and that was always Building Number 3 of the overall Tacoma Park Expansion. And that has a five-hundred seat auditorium/arts presentation area for the performing arts. And that is just now under construction.

Councilmember Floreen,
That's the Fine Arts?

David Capp,
That's the Cultural Arts. The Cafritz Art Center is the old Giant Bakery – yes, ma'am – which the college, through bond issue, is funding the renovation of that which you heard Mr. Campbell say is pretty close to completion. The Fine Arts Pavilion is the existing arts structure on the existing campus which everything will move out of the Fine Arts and move into either the Cultural Arts or the Cafritz Arts Center. So between those two new buildings, the Fine Arts building will be vacated – the black box theater moves over to the Cultural Arts Center -- and one of the deferred projects was the back renovation of the Fine Arts; but the college thinks it can do minor things inside there. And it's out in the '09 or '10 budget year for the design of the back renovation of the Fine Arts, which becomes a totally different building. And I can't remember off the top of my head what it becomes -- but classrooms, offices, etc.

Councilmember Floreen,
Okay. And just trying to keep that straight -- change?

David Capp,
Yes, ma'am. It will change. And it won't be the Fine Arts anymore.

Council President Praisner,
It'll be the hard science classes.

David Capp,
The math building or something.

Council President Praisner,
Whatever. Okay. I don't see any other – Let me just make one comment. I have had the joy and pleasure of working with Dave on a variety of issues associated with infrastructure maintenance; and, Mr. President, you have a jewel to your right. Thank you.

Council Vice President Knapp,
Take the rest of the day off. (Laughter)

Councilmember Trachtenberg,



May 7, 2007

It pays to always smile. (Laughter)

Council Vice President Knapp
There you go.

Council President Praisner,
Okay, Let's move to the last item of the morning which is the Board of Elections. And I'll turn it over again to the Chair of the MFP Committee, Councilmember Trachtenberg, and invite to the table the representatives from the Board of Elections.

Councilmember Trachtenberg,
I saw Nancy a minute ago. Where'd she go? I believe that we have Margaret Jurgensen from the Board of Elections as our director with us, as well as Marjorie. And I believe Mrs. Dacek is also here as well. And I note that Bryan Hunt from OMB has joined us too. The recommendation from the Management and Fiscal Policy Committee is to approve the FY08 budget, as submitted by the Executive. There were two items additionally discussed. One was funding for a position for an information technology technician, which the committee did recommend. There was also another discussion on the addition of two permanent poll worker recruiters, which the committee did recommend; however, I will note that the Council President didn't support putting that item in the reconciliation list. Again, the budget for the Board of Elections would be \$5 million approximately, a decrease of a little bit over \$1 million -- again a 20 percent decrease from the FY07 budget. But again, I want to note that the Board -- it's our opinion -- will be coming back looking for additional funding because of the enormous expenses that will be related to the early primary election which has been set for February 12th in 2008. Another item that was discussed -- which clearly we don't have to make a decision on today -- was the Strategic Facilities Plan; and I'm going to ask the folks from the Board of Elections who are here this morning perhaps to talk with us a little bit about the requests that were made, but also to give us a status report on that plan since there was a certain level of frustration expressed about not having seen it.

Council President Praisner,
I got an e-mail since then from DPWT staff who said that although the contract had ended, the work is completed and that we should see the information fairly shortly.

Councilmember Trachtenberg,
Okay, great. Well, that takes care of that. I wondered, Margaret, did you want to provide us, perhaps, with some additional information? Insight?

Council President Praisner,
Oh, yeah. They were supposed to go down the line anyway.

Councilmember Trachtenberg,
Oh, okay. Margaret?

Margaret Jurgensen,



May 7, 2007

Hi, my name is Margaret Jurgensen. I'm the Election Director.

Marjorie Roher,
Marjorie Roher, Administrative Specialist.

Carol Fineberg,
Carol Fineberg, OMB.

Bryan Hunt,
Bryan Hunt, OMB.

Margaret Jurgensen,
Okay. Good morning, Madam President and members of the County Council. The presidential primary is nine months away; but for the staff, it's six months away when we begin the intensive election implementation. And joining me is Nancy Dacek, Board President.

Nancy Dacek,
I was listening to your voice, and then it went away. And they said, "Oh, you're due in there – your budget."

Council President Praisner,
No stranger to this Council.

Margaret Jurgensen,
The Board and staff have worked to drill down and examine business process methods and actions of the staff and election judges. We've implemented quality control measures for all aspects of the election process, and are near completion of the audit and evaluation of our election judges' compliance with federal and state laws and regulations. We believe this examination enhances our ability to train the election judges for their Election Day experience. Well-trained election judges who understand how to handle persons fairly and to manage the numerous contingencies during the day build voter confidence. We support the Executive's budget and the MFP Committee adjustments. The one issue where we would like to plea to the County Council is your request for consideration for the election judge recruiter positions. Currently, those positions are filled by temporary personnel. The requirements to serve as an election judge are far more challenging in the last five years. There are numerous and additional legal and process requirements imposed by federal and state laws, plus the additional technical requirements that come with the voting units as well as the electronic poll books. This will never change. We need greater continuity in these positions. The process in the past was very simple -- either your name was on the registrar or not, and you received a ballot or not. Today, there's many additional nuances that come with the state regulations that require greater skills and knowledgeability on the part of the election judges. The Fairfax County Board of Elections has one person who does simply manage the election judge records. That Board believes that this additional personnel complement to the Board -- to include two permanent staff to manage the records of the



May 7, 2007

election judges to allow continuity in recruiting judges -- is an important consideration in the modern management of election administration. Those are our thoughts.

Council President Praisner,

I just want to say personally, given that I think I just got the GAO report on elections -- I don't know if you've seen it, Margaret or Nancy? But it's basically testimony of the information technology architecture and systems director, and the title of it is: "Elections, All Levels of Government Are Needed to Address Electronic Voting System Challenges." That's an understatement. But just the two comments -- having watched election processes over the years -- from my perspective. Number one, we no longer have a local voting system; we have a state system. And we also have federal requirements and regulations which -- I don't know what the latest on the legislation is -- but might change even more. And so the good news part of that is to the extent the other levels get involved, hopefully there's some resources associated with that to share with the local resources that have always been a part of paying for elections. But the bad news of it is it also means you lose some of the capacity to manage that process, including: preparing materials in a timely fashion, knowing what the rules are, and working to try to respond to what may be locally-driven issues. So, I think the statement that the Committee Chair made that we are, in all likelihood, going to see supplementals associated over the years with this process and with elections is the biggest understatement we'll hear. Given the early election process, if we don't get the materials in time and know what the systems will be, we're going to have even greater challenges. And the other point -- the reason why we were so anxious in the committee about what the status of the space is, is the Board of Elections is in the old Broom School. It has shared that building with many other people. But the kind of space one needs for staff and for the equipment and for public access -- because the public is coming in more numbers to vote there in absentee or eligible-to- vote processes -- means that that space which was before inadequate is now really inadequate. And we have been pushing DPWT -- the committee has -- I personally have -- to come forward with a plan, working with the Board of Elections, to get us where we need to be from a standpoint of security, safety, and maneuverability and functionality of space. And I think that is also going to come back to us sooner rather than later. Council Vice President Knapp.

Council Vice President Knapp,

Thank you, Madam President. Thank you for all your efforts. You talked about the requirements for election judges changing, which we all noted and witnessed a number of times during the course of last fall. From your perspective, where do you see kind of the logical candidates coming from? Or what are the minimal requirements that you need to be an election judge? And, then, where do you see the applicant pools being out there?

Margaret Jurgensen,

In the past -- and everyone probably in this room grew up with a very similar experience where we had a register list of voters coming from a computer base or even -- you know, I can remember when I was a little girl, the big books coming to the polling place when my parents went and voted. Now we have the electronic poll book; and there's a



May 7, 2007

lot of technology that needs to be put in place. The other part is that from the days of the data vote, the individuals would sign in the register and then the ballots would be picked up once in the afternoon; and then the ballots would come in, in the evening. The judges were never required to reconcile those numbers. Today, the number of votes cast that are recorded in the electronic poll book and the printouts from each of the voting units need to be reconciled. And if they're off significantly, the chief judges need to find out why that occurred. Generally speaking -- and you know, every instance that we've had where we've done the audit -- it's human error. The judges made some sort of mistake. But, so, and then there's the whole contingency of in the past we didn't have provisional voting. If your name wasn't on the list, they would either try to get you to the correct polling place or you didn't vote at all. Today, we have provisional balloting. It's an introduction of new forms that need to be filled out and filled out correctly; because if they're not filled out correctly, then when the canvas board meets, we can't tabulate -- open the ballot to be tabulated. So one of the things that we're looking for is probably the individuals that are currently working to be able to take the day off, be able to -- I used to say that all you needed to do was to be able to buy a computer and set it up at your home, and you would have the technology. But you also need to be strong enough to be able to pick up those 55-pound voting units, put it on legs, and understand the -- it's not technical. It's just understanding how to daisy chain or read instructions or follow the pictures of instructions that we provide to the various judges to assemble this. And we try to color code things; we try to make it as simple as possible. But this type of movement from the old paper-based system to technology which improves and decreases voter fraud, it increases the opportunity to vote and vote so that your vote really counts -- but the fact of the matter is, is that it also requires our election judges to be more knowledgeable, more skillful, more practical, and be people-oriented.

Council Vice President Knapp,

So you're really reaching out to a completely different audience than you've really sought from before.

Margaret Jurgensen,
Mm-hmm.

Council Vice President Knapp,

And so it's almost trying to have to do a public service campaign to the business community.

Nancy Dacek,

We've done that in the past; and it hasn't been that successful, unfortunately. So we're reaching out in every way we can. Needless to say, the biggest problem is finding republican judges. And what we did last year, and I think the year before, was to mail into those precincts where there are the fewest republicans -- but to mail to them in the hopes that they would then come out and be judges. And they have been willing to do that. We're also looking at the high schools and trying to get kids, and they come out as helpers; but, you know, you need the colleges to ante up some people too. It is very,



May 7, 2007

very difficult for us to get people who are going to stay for a 14-hour day or a 16-hour day.

Council Vice President Knapp,
Right. What's the age requirement? Do you have to be 18?

Margaret Jurgensen,
You do have to be 18. We do have a program called the Future Voter Initiative in which we are recruiting kids from about middle school to high school. And they do receive community service hours. But what -- this is going to be kind of a long-range program, like many of the things that we do.

Council Vice President Knapp
Right.

Margaret Jurgensen,
But the fact of the matter is, is that we have these kids involved. They then become involved in their student elections -- in which they come in, we train them on what all the various processes are which are not as technical as they are for a regular election. And then we do have some high school kids who then become election judges for Election Day. We're also looking at -- Baltimore County did some outreach into college students that we would like to emulate with the Montgomery County College system. And then there's a corporate outreach plan that Paul and I heard about that came out of Cincinnati, Ohio, that we're going to -- hopefully after we get through this process and finish up with our evaluation program with the judges -- we're going to be talking to Mrs. Praisner, as well as some other individuals, to help us do some outreach. We were successful in 2002, and we need -- because we need so many individuals for the 2008 election because we're looking at, for the fall of 2008, probably -- based on past history for open presidential seat -- 80 percent voter turnout. So we're going to need individuals -- lots of individuals -- who know how to first of all, get up early; show up between 5:30 a.m. and 6:00 a.m. to open the polls; and then work a very long day with a diverse group of people who are all in a hurry.

Council Vice President Knapp,
Okay. All right. We've got our work cut out for us. Thank you.

Council President Praisner,
Councilmember Ervin.

Councilmember Ervin,
I appreciate Councilmember Mike Knapp's question, and I want to follow up on that. I'm trying to read between the lines here; but if you could describe to me, What's the profile of the folks that we used to have who were election judges? I can only imagine, as I



May 7, 2007

visited lots of polling places in the last election. Who were they? What was the sort of composite, if you were going to -- who were these folks?

Margaret Jurgensen,

Well, I think one of the things -- when I first came onboard in 2001, I asked our Paul Valet, who was our operations manager, to give me a composite of who they were. And, primarily, I believe the median age was 67. And it was not unusual to have a lot of people in the upper 70s and 80s. We've actually moved that number down to, I believe, 61. So we have younger people --

Council President Praisner,

So we're moving in the right direction.

Margaret Jurgensen,

We do have a lot of younger people. The fact of the matter is, is that it's a 24 hour commitment when you want to be an election judge because you have almost a 200-page manual that you have to read; you need to attend at least four hours --

Council President Praisner,

Make it more exciting. (Laughter) Don't make it sound --we're going to push people away.

Nancy Dacek,

They've been reading too much in the paper about the whole process; they don't want to come in. (Laughter) But it can be a lot of fun. (Laughter) It will be a lot of fun. I'm going to let -- Beryl was an election judge. I'm going to let Beryl talk about it a little bit.

Beryl Feinberg,

I've been sitting here quietly. I am probably your new election judge. Thank you, Margaret. I've been one since we've gone to electronic voting both for the County -- as well, I've been in the Rockville City elections. I'm also on the Board of Elections in the Rockville City, so I kind of have two roles. I love it. I am absolutely passionate about the elections process; and I try to tell all my colleagues in County government, "Do it. It's a great experience." I can remember going at -- probably my origins are going as a little girl with my mother to the kind where you had the drawstring, and sitting with my mother who was an elections judge. And so it's just in my heart to support the democratic process -- with a small "d." And at our polling place, there is really an esprit de corps of those of us who have done it election upon election -- whether it's a general election, primary.

Council President Praisner,

They make new friends.

Beryl Feinberg,

I have. And it is absolutely true, Mrs. Praisner, when I see them in Giant or in the neighborhood, it's "Oh, hi! See you at the next election!" We have really become a little



May 7, 2007

group. We support each other. And we are your new people who are the elections judges. We are not computer-phobic. That is the one thing I have shared with my colleagues from election when I have been at the training – and, thank God, I'm under that age of 61; so I'm not in that group agewise. But clearly at the training, I will see some of the –

Council President Praisner,
More mature.

Beryl Feinberg,
older senior citizens, right, who are -- they get frightened. And they get frightened about the manual and about the computer and how to turn it on. It's not just carrying and turning over the machines; but it is in fact also, "What do I do? Am I going to break it?" So I would echo what Margaret is saying, you need the younger folks -- and I'm putting myself very nicely in that category – who are not afraid of computers and know that it will not do any harm. You can't break them. So, yes, I'm your new judge and my colleagues; and I echo -- I tell everybody I know, "Be an elections judge." I try to be her marketer – unofficially.

Margaret Jurgensen,
Unpaid.

Councilmember Ervin,
I have one more quick question; and that is, I'm glad that you're the face of the new judge; but what about language capabilities and folks who represent minority communities? What are we doing in terms of outreach there?

Margaret Jurgensen,
Well, first of all, Montgomery County is under Section 203 of the Voting Rights Act. So we have at least one Spanish-speaking person in every polling place. Additionally, quite honestly, Montgomery County is too diverse just to allow it just to be Spanish. So we do recruit other languages; and, based on the census data, there's different pockets that have certain language requirements; and so certain precincts may have people who are not only Spanish, but we also have someone who speaks Korean or Chinese. Another language that's appearing, more so in Takoma Park, is French. So, we do have -- and Russian. We have another issue with that one. So Chinese, Vietnamese, Philipino, ASL – so yes, we're very – and one of our big battles with the state right now with the election worker model is that we are -- we need that information as part of our election judge module, and that information is not available.

Councilmember Trachtenberg,
I actually want to make note of something which is on page 2 of our packet, which is to point out to colleagues that 40 percent of the budget that's been proposed addresses personnel needs, and 60 percent is operating expenses. And I think that's important to



May 7, 2007

note because as we know, the array of services continue to increase as mandated by federal and state laws. Clearly, we're going to have more and more of a need to make sure that we do have adequate amount of personnel. And from the few discussions -- that I know within MFP -- we've had, it's pretty clear to me that we're moving in that direction, that we're going to need to make more and more investments with staffing. And I would also note to my colleagues that a supplemental appropriation for training -- judge training in particular -- was encouraged because it's, again, pretty clear that part of what's in the budget that's been proposed is really probably not going to be adequate based on, again, what's been described here this morning. And it was the committee's desire that that be provided to us in a supplemental fashion.

Council President Praisner,

I see no other lights. So with that, the committee's recommendations -- including the items on the reconciliation list -- stand; and we will resume at 1:30 this afternoon with Park and Planning -- the whole afternoon on Parks and Planning. Thank you.

May 7, 2007



TRANSCRIPT

May 7, 2007

MONTGOMERY COUNTY COUNCIL

Marilyn Praisner, President

Michael Knapp, Vice President

Councilmember Phil Andrews

Councilmember Roger Berliner

Councilmember Marc Elrich

Councilmember Valerie Ervin

Councilmember Nancy Floreen

Councilmember George Leventhal

Councilmember Duchy Trachtenberg



May 7, 2007

Council President Praisner,

Good afternoon. This afternoon we will be spending the entire afternoon on Park and Planning Commission, including Capital Budget amendments and the Park Police. And I'm going to actually flip the agenda a little bit and deal with the capital improvements program amendments first. That's item number 7 in your packet for this afternoon. There are two amendments to the Park and Planning. We invite folks from Park and Planning, and Chairman Hanson especially, and other staff that you have for this piece to join us. And because we're televising, obviously, and our Pictron system requires identification of folks the first time, anyone who's joining us at the table please do so now and please introduce yourselves. Come on, folks. We'll start on the left, if you could please introduce yourself. Push the button. Thank you.

Tricia McManus,

My name is Tricia McManus. I'm with the Park and Planning Commission Design Section and was the project manager for the Germantown Town Center Park. Thank you.

MaryEllen Venzke,

I'm MaryEllen Venzke; I'm the CIP Manager for Park Development.

Royce Hanson,

Royce Hanson, Chairman of the Planning Board.

Bill Mooney,

Bill Mooney, Acting Deputy Director of Parks.

Sogand Seirafi,

Sogand Seirafi, Chief of Transportation Planning and Design, representing DPWT.

Catherine Carter,

Catherine Carter, Acting CIP Manager, OMB.

Council President Praisner,

Okay. Thank you. Again, as I said, we're going to start with the Capital Improvements Program. There are two amendments to the program that the County Executive is recommending. And there are also Capital Budget impacting for the Ballfields Initiative project and Legacy Open Space. Those are the two. Council staff also included in its potential projects for amendments a change in the Germantown Town Center Urban Park. So we'll discuss all three of those. On the Legacy Open Space issue, the approved CIP includes: \$7,785,000 in FY08 funding for Legacy Open Space; \$4,385,000 in G.O. Bonds; \$1,500 -- wish it were \$105,000 -- \$1,500 in contributions; \$1,400 in Current Revenue General; and \$500,000 in Park and Planning Commission Bonds. The project funds the acquisition, protection via easement of open space lands of Countywide significance that have exceptional natural or cultural value -- and we have had a Legacy Open Space Program for some time. The new councilmembers may be interested, if they have questions, in the packets that first were established when we



May 7, 2007

1 identified this program which deals with not only lands that are important from an
2 environmental and natural center, but also historic and other projects as well. The
3 Executive recommends reducing FY08 funding by \$1,900,000, and increasing the FY09
4 funding by \$900,000 and the FY11 funding by \$1 million. That is in essence, I think from
5 the Executive's perspective, a shifting of revenues in order to accommodate the six-year
6 CIP dollar amounts -- not to minimize the program in any way. The Committee had a
7 discussion. And since there are significant funds available through both acquisition and
8 ALARF PDFs, and because we felt that while there would look like a problem as far as
9 FY08 acquisitions, there's a large amount of money in the ALARF Fund and those can
10 be used to purchase legacy properties if there isn't enough funding in the legacy PDF.
11 And so the Committee supports the Executive's recommended change. And we haven't
12 discussed any specific projects publicly. Sometimes that affects the bottom line dollar
13 amount, but individual councilmembers or the Council can always get an update on that.
14 The second piece is the Executive's recommendation related to the Ballfield's PDF that
15 would slow ballfield renovation and the artificial turf project. The Executive had
16 recommended reducing '08 funding by \$500,000 and increasing the FY11 funding by
17 the same amount. Again, that was from budgetary perspective. The Committee majority
18 supports -- well, the Committee in general supports the improvements to Ballfields; but
19 the majority of the Committee, therefore, came to the conclusion that the Executive's
20 recommendation should not be supported. Speaking as the minority on this, I was
21 willing to accept the reductions for fiscal reasons; and that we would try to restore some
22 of that through reconciliation or at some point later in the process, but was accepting of
23 that budgetary reduction at this point. Lights on that item -- Vice President Knapp? Oh,
24 okay -- on the ALARF -- on the legacy issue, okay.

25
26 Council Vice President Knapp,

27 I just want to make sure I understood this. So if because of the funds that we're getting
28 from the state for state repayment for land purchased, effectively this is a cash flow
29 issue so that there's additional resources there that can be used to effectively offset the
30 County Executive's recommendation?

31
32 Council President Praisner,

33 There's significant money that the County has acquired as payment back in ALARF for
34 the Inner County Connective payments. We're done with those payments from the state,
35 is my understanding, but it has added significant money. And so the point we said -- or
36 the Committee said -- was that if there is a problem, and there might or might not be
37 depending upon the timing of payments with existing properties, the ALAR Fund kitty
38 can be used to make those purchases if necessary.

39
40 Council Vice President Knapp,

41 To round out the edges. And the rest of ALARF is being used for additional potential
42 acquisitions. So that it's not that those resources sit there; we've already got our eyes
43 on things we're doing with it. It's just a matter of what that is. And if we want to know
44 more about that, that's what we can do offline.



May 7, 2007

1 Council President Praisner,
2 Right.

3
4 Council Vice President Knapp,
5 Okay. Just want to make sure. Thank you.

6
7 Council President Praisner,
8 Okay. The last item is the Germantown local park. As some continuing councilmembers
9 may recall, the issue was the Town Center Urban Park. And the Council deferred
10 design on it in the previous review of that in order to provide additional time for Park and
11 Planning and Department of Environmental Protection to resolve some questions
12 related to the stormwater management pond. This is a very expensive park. And there
13 had been some concern about the amount of money that was associated with this park
14 and also the design requirements that were originally expected as far as stormwater
15 management, underground stormwater management, et cetera. From what we have of
16 a status report from the Department of Parks' staff and DPWT, there is a course of
17 action related to stormwater management in your packet that reduces or redesigns it
18 such that part of the stormwater is no longer underground, and therefore reduces some
19 of those costs, as I understand it. And I know that Councilmember Knapp is interested
20 in accelerating it to begin in '08. The original PDF, which we supported, accelerating the
21 design floor so that we can work in concert with Locbury Drive -- if we can get all these
22 funds in the right years when we reconcile things -- will allow the two to be done at the
23 same time or at least in conjunction with each other, which makes some sense. Vice
24 President Knapp.

25
26 Council Vice President Knapp,
27 Thank you, Madam President. I just thank the Committee for their support. With the
28 completion of the library and Town Center, the Town Center Park and Locbury Drive are
29 now the two remaining issues that need to get resolved to actually complete the Town
30 Center. And so it only focuses more attention in working with the community over the
31 past year just trying to both advocate on its behalf, but also to see what we could just do
32 locally to make things look better. In the absence of anything going on there, it really
33 has become kind of the repository of any refuse -- any -- everything from the parking
34 lots. It's a place where people hang out. And so as you get more and more attention
35 from the Town Center, you're getting a lot more of not the right type of behavior and
36 activities taking place in what will be the Town Center Park. And I agree, it was -- it's
37 kind of the last parcel that's there. And it's not the world's best parcel to try and do
38 something with; but it's what we've got with the pieces that are there. And so I
39 appreciate the Committee's recommendation to proceed with this because this will really
40 complete the Town Center. And to move it in conjunction with Locbury Drive makes a lot
41 of sense, because to put one ahead of the other just only further exacerbates the
42 situation. And so I appreciate staff planning efforts to get us moving, and I appreciate
43 the Committee's recommendation.



May 7, 2007

Council President Praisner,

It does, in my view -- and I want to say this in front of the full Council, what I said in Committee -- it does raise for me as another example of Master Plan designs and expectations without looking at the financial implications of them and if it's the best of the projects. So I would hope -- just like with the North Bethesda Recreation Center issues that we're dealing with -- that when we either rely on private sector or we have some expectations, that we look not just at the paper ideal but the fiscal implications and the practical reality of it. You wanted to comment from DPWT?

Sogand Seirafi,

Yes. I just wanted to let you know that there's really not much efficiency with combining the Locbury roadway work with the park. They're two completely separate works, and they're separate. I have some pictures on Locbury Drive; it's already being graded. So as far as the roadwork work goes, actually it would be more efficient for us to just go ahead and do it versus wait for the park to be designed. So there's really not that much efficiency in combining these two projects; they're completely separate. It's like doing a renovation on the kitchen and doing your deck. So they're really -- the boundaries are clear. The stormwater management was designed when they did the library for the park and the roads. So I just wanted to --

Council President Praisner,

Okay. Well that may have been more my comments than actuality. And Councilmember Knapp's comments about finishing the Town Center is more of the issue of the two projects. Okay? All right. Absent any comments on the Capital Improvements Program amendments, we are accepting those recognizing the -- as is the theme throughout this whole process, I suspect -- there are issues for reconciliation which we will have to resolve. We'll now move to the Operating Budget for Park and Planning Commission. And, unfortunately, I have some bad news to start the process. And that is that the Committee in its deliberations was under the impression that we had resolved all of the spending affordability and budgetary items, and was bringing you both a budget at the spending affordability level and recommendations for the reconciliation list that resolved any of the -- well, it didn't resolve -- it presented for you the choices that you will have when you get to budget review and reconciliation. Unfortunately, that's not the case. When the Committee recommended -- and you'll see later in the budget -- the Planning Board had come back to us with an assumption that the work associated with the development review processes and the funds generated from those -- they had made a recommendation that those administrative costs would move to the Administrative Fund, not to the Special Revenue Fund. I think that comes out of a concern that they be tax-supported in a greater extent than they are now which -- when we added the development review procedures and fees for those as part of our discussions last year, we made these pieces similar to the Department of Permitting Services -- that the personnel are associated with the fees. Park and Planning's view is that some of these individuals need to be there or that this function needs to be there, whether it's fee-driven or not. And so they moved them into the tax-supported position in the development of their budget. This is an issue that we acknowledged and put on the list is a long-term question of, What is the taxpayer payment piece ongoing for either



May 7, 2007

1 Permitting Services or Park and Planning or any function -- fire marshal, whatever --
2 that is associated with development. But it's an issue we needed to look at -- not within
3 the budget to change policy, but to look at the policy issue outside of the budget. So the
4 Committee said, No. Taking the staff's recommendation about it being a Special
5 Revenue Fund function, we moved it back into the Special Revenue Fund -- which
6 decreased the tax-supported needs or the tax-supported budget that Park and Planning
7 has. What we did not acknowledge at the time, and all of us are to blame for that, is that
8 the revenue was being counted towards the revenue in the tax-supported category. So
9 if you move the personnel from General Fund Supported Personnel to Special Fund
10 Supported Personnel, you also have to move the revenue. And we didn't shift the
11 revenue. We didn't decrease the amount of money. Now, we can go back and look at
12 that issue because it means that the dollar amounts of revenue assumptions for the
13 whole spending affordability process should have been lower by that amount of money
14 -- which would mean then the allocations of the funds and the budgets developed would
15 be different. But that's a bigger issue than the one that we assumed when we started
16 this process. In other words, there's \$3.3 million in expenditures that moved into the
17 Special Revenue Fund, but there's not the reduction of the \$3.3 million in revenue which
18 we spent. So we're going to have to look at that issue and come back to you as soon as
19 we can with assumptions of how we're going to deal with this problem.

20
21 Marlene Michaelson,

22 If I can add just one minor point of clarification. The amount assumed in the budget as
23 submitted was around \$2.8 or \$2.9 million. So because revenue expectations increased
24 over time, it's not quite as large as the \$3.3 million. It's a little bit less.

25
26 Council President Praisner,

27 Well, any dime or penny we can find will be very helpful. But this is an issue that we're
28 going to get back to and give you a way to reconcile this such that we -- and we need to
29 look at this in the context of some of the other funds questions. But we are going to
30 have to reconcile that issue. So keep that in mind as we go through Phase I of the
31 budget. Let me also remind you that there are three components to the Park and
32 Planning Commission Budget. There's the Parks Budget, as they have presented them
33 to us. There's the Planning Budget or administration pieces. There's Administration
34 Fund pieces. There's also the Central Administration, which is the folks in Riverdale who
35 support Park and Planning in a centralized way. That latter piece of the budget we're
36 going to have to agree on with Prince George's County Council because that's the
37 action we will take on Thursday. The rest of the budget related to our Parks Department
38 and related to planning functions here in Montgomery County are pieces that will be part
39 of the overall budget consideration. And to the extent we have or want some greater
40 flexibility in our pieces in the County, if we do not agree with Prince George's County or
41 we don't have the same reductions or changes, what the Planning Commission has
42 presented to us for that will stand. And then we'll have to build our two budgets, Park
43 and Planning, off of that. So I hope I've made myself clear as it relates to that issue. So
44 we're going to look at that issue; we'll work through it. But that's not -- to some extent, it
45 might be a piece of Central Administration. It might be a piece of Parks or it might be a
46 part of Planning. More may appear on the reconciliation list. We'll have to work through



May 7, 2007

1 that. On page 2 are the summary of the PHED Committee recommendations. Rather
2 than go through them in their aggregate, Marlene and Jeff have very ably listed them all
3 except for the line that says, "Do not support Increase 4"; and has nothing else on the
4 recommended reductions. I believe that's additional training money.

5
6 Marlene Michaelson,
7 That was Training and Awards.

8
9 Council President Praisner,

10 So it's the Training and Awards category. As we go through the packet, you'll find that
11 \$100,000 which is associated with Training and Awards where the Committee wanted --
12 felt that more work needed to be done. There's also a couple of small amounts where --
13 there's no cable fund support for Park and Planning. It's been absorbed in the past
14 under the County Council's piece of the budget for cable related to the County
15 Government channel. We've produced the programming there, and we've supported the
16 cable assistance, including more programming of cable -- on the cable of Park and
17 Planning Commission meetings, etc. This is an effort, and that may not be an adequate
18 amount when we start to calculate how much with both the Commission meetings and
19 the Parks Program that we've had in the past. So I want staff to continue to look at that
20 before we finish this budget. I think this is mostly associated with the piece of the
21 personnel time. But there may be some costs associated that need to be looked at as
22 well. I'm going to turn this over to Marlene because she's done such a superb job with
23 the packet -- and Jeff and others. The only other comment -- and I want Royce to be
24 able to comment as well -- this is a Program Budget. We had asked Park and Planning
25 to work on a Program Budget for some time, so this is the first stab at a Program
26 Budget. I think they've done a superb job. There are obviously things that we want them
27 to expand on so that we can look at the budgets associated as well as the personnel
28 associated. We'll also want to look at outcome measures associated with those. But it's
29 an excellent beginning to a Program Budget and allows us to get a clearer
30 understanding of where we're putting resources and what initiatives may be associated
31 new and continuing. Royce, any comments you want to make?

32
33 Royce Hanson,

34 Well, just a couple. It is a Program Budget; and so if you see one workyear associated
35 with a program, that does not mean one position. It may be four or five positions with
36 the work distributed across them. The other point that I would make is that this is the
37 first time in many years that we have presented a Program Budget. It has been an
38 extremely useful tool for the directors in both departments in getting a much better
39 understanding of how much work is involved with each particular subprogram in the
40 operation. For instance, in development review when -- I think the Council was talking
41 about this a year ago or more -- we were thinking about the Development Review
42 Division. But development review involves work by people in a number of other divisions
43 as well, and we've tried to figure that out. Same thing with Parks. When we talk about
44 park stewardship, that may involve people from a number of different divisions in the
45 park. And this is providing a much better way for us to look at ways in which we can
46 improve the management of the operation so that as we proceed now with data



May 7, 2007

1 programs such as SmartParks, we're going to be able to do some things, I think, that
2 you've been asking for for a long time. And we haven't quite gotten there yet, but I think
3 this is going to help us. The other thing that I think is going to be very helpful through
4 this budget process -- which made it difficult to compare last year's budget with this
5 year's budget on a strictly comparable basis -- but Marlene and members of our staff
6 worked hard to try to do something that's roughly similar. We should be able to compare
7 apples and apples much more clearly next year than this year. And finally, one of the
8 things that I think we should be able to do this next year -- my general aim -- is to cut
9 the volume, the bulk of the budget in half and increase its clarity by 100 percent so that
10 one doesn't have to look back and forth to find things. This was mainly a function of
11 doing it for the first time and putting things together in really a very fast way. So I think
12 the presentation will be greatly improved next time.

13
14 Council President Praisner,
15 Okay. Marlene.

16
17 Marlene Michaelson,
18 Okay. The Committee did discuss the Program Budget. I won't spend any time with that
19 other than to say that on page 4 of the memo, the Committee talked about the types of
20 things that a Program Budget should include. Recognize that this is a transition year
21 and that there should be, hopefully, refinements as they move forward with it. And I
22 think the -- as the Chair indicated, they agree as well and are going to be working in that
23 direction. One of the major issues in this budget were the reorganizations that were
24 presented -- both to split what was the Park and Planning Department into a Parks
25 Department and a Planning Department and also reorganizations within the Parks
26 Department. On the reorganization issues, one of the major issues was that there was a
27 Management Services Division that served the entire department on issues such as
28 budget and human resources. The departments -- or the Board has now suggested
29 creating two different management services divisions: one for the Planning Department
30 and one for the Parks Department. The majority of the Committee supported this
31 recommendation. Councilmember Praisner and the minority believed that there would
32 be better coordination and efficiency by having one Management Services Division that
33 served both the Park and Planning Department.

34
35 Council President Praisner,
36 Council Vice President Knapp.

37
38 Council Vice President Knapp,
39 Thank you, Madam President. I was struck looking at this as we were trying to
40 coordinate pieces and make this more efficient that this appeared to be going in a
41 different direction. And I appreciated Marlene's analysis of it. I guess the question I
42 would have is -- and I didn't see this -- what are the costs associated with having kind of
43 the two versus having it centralized in one of the offices -- I guess in the director's office
44 or the sheriff's office?



May 7, 2007

1
2 Marlene Michaelson,
3 Well, the main cost is that you have two division chiefs.

4
5 Council Vice President Knapp,
6 Right.

7
8 Marlene Michaelson,
9 There's some additional positions associated with it, but the department has argued that
10 they need those additional positions, regardless of whether there's a split. So, for
11 example, they've said that they need budget staff assigned to Parks and budget staff
12 assigned to Planning, even if they were to report to the same chief. And so I think I
13 agree with them that on a lot of these positions, even if you're going to have a
14 centralized unit, you still staff that can report.

15
16 Council Vice President Knapp,
17 We need the bodies. I agree.

18
19 Marlene Michaelson,
20 And so I think it's really -- the major issue would be having an additional -- a second
21 chief.

22
23 Council Vice President Knapp,
24 Right. So I guess that would be the question I would ask is -- I know you're trying to pull
25 everything together and really coordinate pieces -- what would be the benefit of having
26 two people to it?

27
28 Royce Hanson,
29 There's a great deal of benefit to it. These are two different departments. I don't think
30 you'd ask the Department of Libraries and the Police Department to have a single
31 management staff. The functions of the two departments are quite different. I do not
32 believe that there are efficiencies achieved, nor do I believe that the record would show
33 that efficiencies were achieved by the consolidation of the units. We would initially, at a
34 minimum, have to have an associate director to work with the Parks Department if we
35 were going to consolidate these things. You need somebody who is virtually at the beck
36 and call, at any time, of the head of that department in handling these administrative
37 services. There is a great deal, I think, of illusion in the idea that all consolidations are
38 more efficient than decentralizations are. I think if you can achieve economy of scale
39 with the consolidation or if you're doing something that's unique with the consolidation, it
40 makes sense. If you're not, it makes much better sense to have the management
41 support that each department head needs. We are doing everything that we can now to
42 make each department head responsible for the operations of that department. To do
43 that, they need the kind of management support that makes it possible for them to do it.
44 We would not have been able to have produced a Program Budget for each department
45 this year, I think, had we been operating with a consolidated operation. I think because
46 we distributed, we were able to do it because we had people who could work on that.



May 7, 2007

1 And it really is an onerous and full-time job on each side. I can let the department heads
2 speak to that also. They may have useful –

3
4 Bill Mooney, 35

5 The only other thing I would add was I think that the ability of our director to work with
6 only -- within the agency, the reduction in the vacancy rate has been achieved as well. I
7 mean, to me the proof is in the pudding. I think we have produced a good budget
8 document; and I think that we have reduced our vacancy rate, which are things that
9 we've been asked to do. And it's been very effective. And I echo the Chairman's
10 comment that when you put responsibility on people, you have to give them the
11 authority and the control of the resource to achieve it.

12
13 Gwen Wright,

14 And for the record, I'm Gwen Wright, Acting Director of the Planning Department. And
15 being a 19-year veteran of the department, I've sort of seen it done both ways. I saw it
16 when we were separated and we had, you know, very clear separate management
17 services. I saw it when it was consolidated. I would just sort of echo what Bill just said –
18 sort of the proof's in the pudding. When we were consolidated, it just didn't work as well.
19 Not only did we have additional problems in terms of hiring, I think that the information
20 that is provided and the assistance that's provided to individual staff people -- about
21 information on their paychecks, on their benefits, on all the basic things that a person in
22 the trenches looks from their management services division – just, it was much harder
23 to get. It was just not there. And I think having a person devoted, clearly identified in
24 each department as the go-to person for all of these kinds of issues, is going to work
25 better. And I think just our efforts over the last -- whatever it's been -- six to nine months
26 of having it go back to the old system really has been demonstrating that it is working
27 better. People feel like they're getting the information they need. We're getting the
28 advertising out. We're getting the hiring done. Again, in terms of functioning as an
29 organization, we are functioning better.

30
31 Council President Praisner,

32 Let me just piggy back for a minute, though. Are all these staffs already existing in both
33 separately already?

34
35 Royce Hanson,

36 Yes -- not fully. I mean, we've got some new positions being asked for, but –

37
38 Council President Praisner,

39 I didn't think so. So you were able to get the advertising out. You were able to answer
40 all those questions without the structure of supports in those two separate units. And I
41 guess my only other concern is that Park and Planning -- I think we need to look at the
42 whole issue of the Central Administrative Services because some of this is supposed to
43 be provided centrally already. Now, if it doesn't work, there may be a decentralization
44 that has to occur away from the Central Administration to one unit in each of the
45 Counties. But that doesn't take me – and that's why I didn't support it – doesn't take me
46 to then duplicating it again in Parks and Planning separately. I believe that there are



May 7, 2007

1 certain functions that are unique to each. I believe that there needs to be some support
2 and beck and call for the subheads -- the two departments. But I'm fearful that what
3 we're down the path of doing is creating three units all doing somewhat similar things:
4 Central Administration, Parks, and Planning. And it seems to me that before we go
5 down that road -- and I'm not saying that I wouldn't support additional personnel in the
6 future -- before we go down that road, we need to look centrally at all of the support
7 functions and the management structures before we add positions that it's hard to then
8 remove people from because they're in management leadership positions. So that's why
9 I didn't support -- I agreed with Marlene on this issue. I'll go back to you, and then
10 there's another light on.

11
12 Council Vice President Knapp,

13 No, and I appreciate the feedback. I guess -- and I'm not one who wants to
14 micromanage, and so I'm not sure at this point how we address the organizational
15 structure from a broad nine-person Council like this. But I guess what I've just heard you
16 both say, though, there's been a lot of things that have changed -- taken place in the
17 last nine months, some of which can be attributed to doing these services differently.
18 Part of it's just expectations from senior management, which has changed too. And so
19 to say that "as a result of having done this, we're doing it better," I'm a little troubled just
20 with some of the things that you've laid out there. Because if people weren't getting
21 questions answered, that's just a basic customer service function that should get fixed.
22 And so if we have to separate all the pieces so everyone has a dedicated one-on-one
23 and a separate element to get that addressed, I'm a little concerned because we ought
24 to be able to change that expectation just in the way we are managing the organization.
25 People ought to be able to get answers to their questions. But I am concerned, and I
26 think -- again, I'm not going to make a motion at this point because I don't think we need
27 to be micromanaging at that level. But I still want to -- I want to continue to monitor this
28 because it doesn't make sense to me that we've got to have two separate entities do,
29 effectively, the same thing. That within a central entity, you could still have people
30 dedicated to fulfilling services to each department or each division. That doesn't seem
31 that that's that difficult to do; but nevertheless, I think that we ought to continue to
32 monitor this and see because I don't want to keep adding things to duplicate services
33 and the same functions across a fairly small organization.

34
35 Royce Hanson,

36 We'll be very happy to monitor it and to report to you. We can even give you a report, I
37 think, at the next Semi-Annual Review. The point I want to make is, the reason that it
38 works better now than it did is because the responsibility is on the department head.
39 And the department head has the staff necessary to fulfill that responsibility.

40
41 Council Vice President Knapp,

42 So who was -- who owned it before that?

43
44 Royce Hanson,

45 Nobody.



May 7, 2007

Council Vice President Knapp

It reports in somewhere.

Royce Hanson,

Believe me, nobody.

Council President Praisner,

I'm not sure that's fair.

Council Vice President Knapp,

But where? I mean you've got a group that reports in someplace. Who supervised the group? Who oversaw it? I mean, how does it report in nowhere?

Marlene Michaelson,

Well, there was a single director for the Park and Planning Department and Management Services who reported to that director. Now you have two directors, one for each department.

Council Vice President Knapp,

Right. So reported in to Mr. Lor's office.

Marlene Michaelson,

Right.

Council Vice President Knapp,

So there was a director to whom it reported.

Marlene Michaelson,

Yes, exactly.

Council Vice President Knapp,

Okay.

Marlene Michaelson,

And there's not -- there is precedent within the department to have a single division that reports to both departments. That's exactly what Research and Technology does.

There's only one Research and Technology Division, and it serves both departments.

Council Vice President Knapp,

So -- Okay. No, I just --

Council President Praisner,

We have lots of lights now. (Laughter) Councilmember Floreen.



May 7, 2007

Councilmember Floreen,

Thank you. Well, I think in Committee, the others of us were certainly -- wanted to give the department a chance to sort out its reorganization strategy because that was a fundamental issue here -- breaking up Park and Planning and Parks. That's done in the past, basically; they'd done it. And the question is, How did you make that work properly? I do think that by centralizing functions of Park and Planning, the inevitable result was that sort of the politically interesting part -- which is the planning part -- took significant precedence over the Parks effort. It certainly did from this side of the aisle, I think; and it certainly did from many appearances within the agency. And I don't know how else you allow those two separate functions to perform. They are related. They're probably a little closer than police and libraries. But they're not as intimately intertwined because of the nature of their functions as one might assume. So I think -- our thinking was that the agency really benefited from having folks focused on the separate management functions to support those independent directors. It is a challenging agency because of its nature. They report to a five-member Board which, in turns, reports to a nine-member Council. That's a lot of divergent interest that needs to be satisfied on a pretty regular basis by those directors. And I really do think they need the management support independently to allow them to do that.

Council President Praisner,
Councilmember Berliner.

Councilmember Berliner,
I just have a clarification or request for clarification. The status of this issue in the budget as it's before us is what?

Marlene Michaelson,
They are proposing a new position to be the chief of the second Management Services Division.

Councilmember Berliner,
Yes.

Marlene Michaelson,
And then there are some individual positions within there which, as we go further into the packet, you'll see. For example, for another budget specialist so that each department would have its own budget specialist.

Councilmember Berliner,
As I appreciate it, you did not take issue with some of the staff below, but for the division chief itself was the principal concern you had articulated?

Marlene Michaelson,
Correct. And it wasn't so much the position as my concern about consistency, with this budget being a prime example. The budget presentation from Parks was very different than Planning. They had fundamentally different assumptions, which made it difficult to



May 7, 2007

1 review the entire budget. And so to me, although I can see many advantages, one of
2 the disadvantages is to the extent they need to produce a unified document. If you have
3 two separate divisions writing separate sections and no one reviewing the whole thing
4 for consistency, you end up with some of the problems that we see in this year's budget.

5
6 Councilmember Berliner,

7 And again, for clarification purposes, with respect to the particular division chief, is it in
8 the budget? Have you put it on the reconciliation list? It's in and approved?

9
10 Marlene Michaelson,

11 The majority supported keeping it in the budget. Yes.

12
13 Councilmember Berliner,

14 That's what I needed to know, and I appreciate that no motion will be made to take it
15 out. Because just listening to the conversation, my own instinct is to support the
16 department's request to run its own shop in this particular manner. So I would be
17 supportive of affirming their conclusion with respect to this. So I just wanted to make
18 sure that no motion was, in fact, necessary.

19
20 Councilmember Leventhal,

21 Well, I'm trying to get some clarification also. Chairman Hanson, you said that you
22 wouldn't expect the Department of Police and Department of Libraries to share the
23 same staff; but then we heard that some of the functions that this Management Division
24 is going to perform is, for example, to answer employees' questions about their benefits.
25 Now, police officers and library department employees go to the same place to get their
26 question answered about their benefits. They go to the Montgomery County Office of
27 Human Resources which serves both departments. So I'm trying to understand exactly
28 what are the functions. If you have someone who is responsible for maintenance of
29 parks, I agree that a management position responsible for the maintenance of parks
30 need not also be responsible for development review. But if you're asking basic
31 questions about health insurance, retirement, payrolls, these kinds of things, I don't see
32 why those could not be shared in a single central facility.

33
34 Gwen Wright,

35 Well, let me just say that many of those questions are -- we do have an office at CAS
36 (Central Administrative Services) that has staff people who can answer questions about
37 insurance and retirement and so on. The reality is, though, that we're a very dispersed
38 agency. We have offices all over the County. So when I have my first question as a staff
39 person, I generally go to my -- the office, the person in my office; and I say, "Do you
40 know where I can get information on X, Y, and Z?" And they will, nine times out of ten,
41 have the information.

42
43 Royce Hanson,

44 But if they don't, they pass me on to Central Administrative Services; and then I go on to
45 them and get that information from them.



May 7, 2007

Royce Hanson,

I think also that this is the least of the kind of functions that these offices perform. The kind of information that I think -- and Alison may want to speak to this directly -- or Bill who, in addition to being Acting Deputy Director, is also now heading that particular office in Parks. The kind of information that you have to assemble here is essentially budgetary information. It's recruiting information. It's services information for the operation and management of the facilities in which staff are located.

Gwen Wright,
Training.

Royce Hanson,

Yeah, training. These are the kinds of things that are of great concern. For instance, in putting together a Program Budget, this is not simply something that is done just by looking at accounting sheets. It really requires a great deal of discussion with the individual division chiefs and some of the section chiefs and saying, "All right. Let's not only look at the way in which you have distributed your work over the past year, let's begin to think about how that work should be distributed over the next year." And that has required a great deal of discussion. It goes back to the issue of forcing people to begin to think about, What is it we're doing, and why are we doing it that way? And this simply takes a lot of time. I don't know. Alison, you or Bill may want to comment.

Bill Mooney,
Go ahead, Alison.

Alison Davis,

My name is Alison Davis. I'm Chief Management Services of the Planning Department and my perspective comes out differently coming down from the Bi-County offices for about 35 years when I worked there and then coming into Planning last October. And coming into the Planning Department, doing this with the reorganization -- the split between the two departments -- has been that the department needed someone to be monitoring what direction their management -- looking and providing the services to them that just was a supporting and underpinning for the division chiefs to be able to do planning -- and have like an internal consultant for them to provide the level of support for human resources, for budgeting, and for programming. And also as a big coordination role to make sure that these chiefs and supervisors and everyone worked as a whole to work on a Program Budget, not everyone presenting their divisional budget and somebody assembling it. Program Budgeting makes you manage at a departmental level. It makes you look at the programs and makes you look at your outcomes. And that's what we're trying to move to and grow to. I count it as a very challenging and exciting opportunity to be able to be a part of this. But it in no way -- I'm trying to figure out, How would I have done the same -- provided the same level for Parks at the same time? And I would kind of have to take my breath in. I really don't know how I could have done that, coming in when I did. I think the directors need the kind of support they need within their departments. Bill?



May 7, 2007

Council President Praisner,

Well, again, I would comment though that no one was questioning the support. There would be a number of personnel who could provide that support. The question Marlene raised, which I concurred with, is if you need to create them as separate entities when they could perhaps support these two departments and be centrally located so you had some commonality of policy. But obviously the Council is not making a change. I would also remind folks, though, that it was Park and Planning who came to us and suggested Parks and Planning should be combined. It wasn't the Council that drove that issue.

Royce Hanson,

It wasn't this Chairman who said that.

Council President Praisner,

Well, I understand that, Mr. Hanson, but it wasn't this Council either that is now faced with a question of whether we create -- what entities we create and where we spend the money so -- And what are the priorities are. And from my perspective, another management position and creating it, my point was only that I -- that wasn't where my priority was. Mr. Leventhal.

Councilmember Leventhal,

Well, I've heard the Chair and the Council President say that this matter will not be brought up as a motion.

Council President Praisner,

There's no motion.

Councilmember Leventhal,

I don't understand the content well enough to offer the motion myself. But it does seem to me that if there is an opportunity to consolidate some basic functions -- not specialized -- but basic functions having to do with issues of personnel and payroll and benefits that we should not -- and I've heard what you said in response to my question -- but that we should not be creating a new management position at significant, you know, six-figure expense for that. It seems to me there are higher priorities. But I would leave it to others to make a motion; and if the votes are not there, there's no point. I wish we could put this in play, but I don't know enough about the positions to --

Council President Praisner,

Well, we have to come back because we have the issue that I raised at the beginning of the process. And I think there's been enough conversation to say that this is still in play. Marlene?

Marlene Michaelson,

The other piece of the reorganization was the movement of some outreach staff. There were two within the Commissioner's Office. One of their outreach staff was moved to the Parks Department; and then the Parks Department then added a second outreach staff



May 7, 2007

and – calling it “outreach,” but I believe the department’s using it for a variety of different functions in its information services capacity. And the Committee was unanimous in supporting that. The Parks Department also had its own reorganization within the department. They have recommended the creation of a second deputy director for the Parks Department -- one for operations, one for administration. And also the creation, as we just noted, of its own new Management Services Division and also the creation of the new Facilities Management Division. And the Committee was unanimous in supporting the additional deputy director and the new Facilities Management Division, but indicated on the Facilities Management Division only one new workyear to be associated with that new division. The rest of it would come from reorganizing existing staff. Keep going?

Council President Praisner,
George, your mike is still on. Did you want to –

Councilmember Leventhal,
No.

Marlene Michaelson,
Moving on to page 7 of the memo and the issue of vacancies and lapse, and the Committee examined the average vacancies for the departments historically and recommended increasing the lapse rate to more accurately reflect what they believe would be the likely lapse in vacancy in the coming year, noting that they did not in any way want to discourage the departments from hiring all vacant positions; and that if these lapse rates do not work out well or they’re more successful then we anticipate, they should come back for a supplemental. But in the meantime for the Parks Department, they’re recommending increasing the lapse rate from 4.5 percent to 7.5 percent; and in the Planning Department, they’re recommending increasing the lapse rate from 4.5 percent to 6.5 percent. And these increased salary lapse result in a reduction in the budget of approximately \$1.9 million. Moving on to performance measures –

Council President Praisner,
Mr. Andrews has a question or a comment.

Councilmember Andrews,
Thanks. These are very high lapse rates compared to most agencies. So I wanted to understand them a little bit.

Royce Hanson,
We reluctantly accept these with the understanding that you will probably see us asking for supplemental to take care of filling positions. We're doing very well right now in filling positions. We just filled four last week. We've got another one that we expect to fill any day now just on the Planning side. Parks has also been doing very well, again by having recruiting decentralized to Planning in particular. It has worked extremely well.



May 7, 2007

Councilmember Andrews, 90

Okay. I hear you.

Royce Hanson,

We had asked -- I think we'd asked for four, but we understand.

Council President Praisner,

Well, we also said that while there are -- lapse has always been an issue with Park and Planning. We've carried positions that have not been filled, and there are obviously two kinds of lapse -- lapse that's imposed and lapse that's a function of filling positions. What the Committee has said is that we have not imposed a lapse figure. We're just basing that on the history in both departments, centrally or decentralized. And if they are more aggressive and more successful, we'll look at that issue. But it's based on the history of the Commission in filling positions and also the ability for us to look through the Program Budget at how many workyears -- recognizing they're not discrete individuals -- but how many workyears are associated with different programs and prioritizing those programs.

Councilmember Andrews,

Okay. I think what I hear is the Council President saying is what the Public Safety Committee spoke about a little bit in the Committee session on Park Police which is, we wouldn't want the Commission to hold off on filling vacancies that are there. There's six vacancies now in the Park Police complement that we would not want to see not filled if you have good candidates.

Royce Hanson,

That's right. We will fill them and come back and ask for money.

Marlene Michaelson,

And I did want to note that as part of the Department's suggestion on how to sort of fill the remaining piece of the gap as the Committee was looking at it, they did indicate that they'd be willing to also take a slightly longer lapse for new positions. And that's part of the total savings. I believe it was going -- delaying new position hires for approximately a month further than they had indicated. I'll move, then, on to performance measures in page 8 of the memo. Last year during the budget review, the Council had asked the departments to focus on specific performance measures as they put together the Program Budget, which was quite an effort. The revision -- or the attention to these performance measures seemed to have fallen through the cracks. And so the Committee is once again asking that they focus on specific targeted performance measures that the Committee has identified to appear in next year's budget. Moving on to the fund balance, the Commission asked -- recommended this year increasing their reserves from 3 percent to 4 percent. And this was requested last year, denied by the Council. The Committee once again recommends denying it. They don't believe there's an adequate rationale -- in part because the agency has maintained its Triple A bond rating with a 3 percent reserve. And more significantly, the County places a 6 percent reserve on all agencies -- which means that beyond the 3 percent they have, the



May 7, 2007

County's total reserve pot provides for another 3 percent if they need it for emergencies. So the actual reserve available is really 6 percent.

Royce Hanson,

We think this is probably all right. There's one thing I just want to give you a heads up on. When we come back to you with the CIP amendment for SilverPlace, we will be going to fund balances for funding there; and the key question is to make sure that there's enough.

Marlene Michaelson,

Okay. Moving then on from the broad issues to the Administration Fund and, in particular the Planning Department, I want to turn your attention to the Planning Department Work Program which was first presented to the Council at the Semi-Annual Report meeting in March. And if you look at page 11 of the staff memo, you'll see some changes recommended by the Committee. Also in the color attachments to your packet, were the Master Plan schedule's showing both what was submitted at the Semi-Annual Report and a revitalized schedule that has been presented by the Department and is recommended by the Committee. Basically, from what you saw in March, it accelerates a few of the master plans. Some -- such as White Flint -- by a short amount, just about two months. And others, such as Battery Lane, which was not included in the previous Semi-Annual Report is now added with a timeframe of the Council receiving it in January 2009. The Kensington Master Plan, which was shown as December 2009, is being slightly accelerated to September 2009. And significantly, the Wheaton/Georgia Avenue Plan is being moved up by more than a year. In the Semi-Annual Report, it was December 2010; the revised plan now has a Georgia Avenue Concept Plan being done in August 2008 providing sort of an overview for the Georgia Avenue corridor and then the Wheaton CBD plan coming in July 2009. And, as well, the Green Infrastructure being moved up slightly. So the Committee both recommended adding the resources and changing the work plan schedule to accommodate what Council members had identified as priorities.

Council President Praisner,

We have some lights. Councilmember Leventhal.

Councilmember Leventhal,

Few questions on the work plan. Chairman Hanson, in this document, the multi-colored document, I appreciate that the survey of religious institutions appears on Circle 117 as a "special project." And I just wondered what is the time frame for that because it isn't included on the Master Plan and section map?

Royce Hanson,

You'll get that during this fiscal year.



May 7, 2007

Councilmember Leventhal,

During this fiscal year. Okay. Secondly I wanted to understand the Committee's recommendation, Plan for Energy Environment. Are you dropping that or it's so far in the future you're not projecting a date for it, or --

Council President Praisner,

No. We've stretched it differently and reshaped it slightly given the conversations that we've had about the work that needs to be done in response to state requirements as Phase I, saying that it's an ongoing effort and initiative. It's just that we wanted to set it in blocks that would begin with the state requirements first. And we reduced the number of personnel associated with it in order to accelerate and provide more support to some of the Master Plan issues that the Council identified are more geographic-specific, where the pressures are -- and have led to Zoning Text Amendments and other things. There is also an initiative to review the whole master plan process to try to modernize it, so to speak, to respond to the concerns that the Council and the PHED Committee have had. So it appears the Environmental Plan issue appears as fewer workyears for the coming year, but will be an ongoing project for the Council.

Councilmember Leventhal,

Do we have a description of that -- the Energy and Environment Plan?

Council President Praisner,

It's in the budget that we had. I don't --

Marlene Michaelson,

In both the budget and the seminal report there was description. Staff and some councilmembers raised some questions about the scope of this effort, which is why the Committee's recommending that for next year it focus just on the water quality elements that must be met for state requirements, and also during that time to try and more clearly define what the scope of this effort truly should be and to seek better clarification on that.

Royce Hanson,

Also, I think on the reconciliation list is some additional consulting support for it which we'd recommended, but for fiscal reasons is on the reconciliation list. It means we're just going to go more slowly into it than we had hoped.

Councilmember Leventhal,

Okay. And what has happened to Centers and Boulevards? Is that -- have we reached -- I wasn't present for the Committee discussions.

Council President Praisner,

We had a significant question about that. In essence what we asked -- it did not appear any further in any of the reports that we had seen or the work plan in the semi-annual conversation. So what we have asked for within the Committee is some kind of wrap-up



May 7, 2007

document. What they've said to us is that the Centers and Boulevard work formed a framework and a context for future work in a variety of areas. We had asked for something substantively that articulates the outcome from the Centers and Boulevards, and we're expecting that. Gwen had indicated they would provide that.

Royce Hanson,

For example, many of the ideas that came out of that are being used now and sort of have metamorphed into the corridor study – first for 355 and then for Georgia Avenue -- so that as we begin to develop some themes for development in these transportation corridors and at the major centers along them should develop. So it's moving to a kind of a context plan for the specific master plans that are being developed. And we'll try to get back to you this fiscal year with a kind of a summary of the major ideas that have come out of this effort.

Gwen Wright,

Yeah. I wanted to add – I think the that whole centers and boulevards effort was very, very important and very valuable in that it created a wide community dialogue about how we should think about planning differently as we get into the 21st Century. What we took out of that, and we're busily implementing, is the idea that there is -- between the whole idea of the general plan and our Growth Policy ideas --that there is a need to do individualized corridor studies that we can then use as a framework -- as Chairman Hanson was saying -- for the individual small geographic area plans that occur along those corridors. That's why we're trying to wrap up I-270/355 Corridor study before we bring you Twinbrook and White Flint and Germantown and Gaithersburg, and why we'll embark on the Georgia Avenue Corridor study before we get into Wheaton and Kensington and Glenmont and so on. But I think that, as Councilmember Floreen said during our discussions, "That was a good idea; that sounds good. You just didn't tell us." (Laughing) That's what we're going to try to do – is try to articulate how what we learned during the Centers and Boulevards dialogue has helped inform what we think is going to be a very effective game plan for looking at master plans over the next five to six years.

Councilmember Leventhal,

Okay. Well, I appreciate that. That's responsive to my question. I'm sorry if it's due duplicative of what the PHED Committee went over, but I wasn't present for that.

Council President Praisner,

No, it's fine. It should be discussed publicly here in this forum.

Councilmember Leventhal,

Regarding energy and environment, as much as I and other councilmembers are intensely interested in those issues, I appreciate the Committee's direction to the Planning Board because it sounded a little too global and wasn't clear where that was going. And the last thing I just wanted to observe while I have the microphone, is I hope that your Saturday morning session was successful on the Growth Policy. I just want to encourage the Chairman and his fellow Commissioners to keep in mind that the Growth Policy will have great importance to many, many people who would never spend their



May 7, 2007

time -- on a Saturday morning -- talking to the Planning Board. And so I really want to emphasize this point. I really want to emphasize this point, and it speaks broadly to a lot of the work that we do. One of the greatest challenges that we face is that the people we hear from and the people from whom we receive e-mails and the people who take the time to testify are often not representative of those who we work for. And that those who will feel most passionately about Growth Policy issues -- enough to give up a beautiful Saturday morning in early May at Park and Planning -- may or may not be broadly representative of all the people who function in Montgomery County's economy.

Royce Hanson,

I'm shocked to hear that, Mr. Leventhal. (Laughter) It was a diverse group actually. We had a very good turnout -- a pretty diverse group. We certainly had a lot of diverse opinions expressed at the meeting. It was a real a very helpful one, I think. But I think we're acutely aware that the consequences of what we do extend beyond the 200 people who move from room to room to discuss planning issues.

Council President Praisner,

I thought the panel was a very interested one. Councilmember Berliner.

Councilmember Berliner,

Three points -- questions regarding the work plan, if I could. One, I'd like to thank the Committee for its support of the task force relating Infield Development. Very grateful for its inclusion in the work plan and grateful for the collaboration I've had with Park and Planning with respect to it, and look forward to our work together on it. Two, Westbard. Could you speak to "the delay" that is referenced in your Semi-Annual Report -- the causes of the delay? I know it will come as a great shock to you that I've heard from people in the community concerned that the delay could prompt sort of an ad hoc approach to matters that are important to that community through ZTAs or otherwise. So I just would be grateful to hear from you and for you to assure the community that this matter will, in fact, be addressed in a comprehensive manner.

Gwen Wright,

Yes, I mean, it certainly is our intention at the Planning Department to look at Westbard comprehensively; and we certainly hope the Council will have that same commitment. The schedule in this budget is essentially the same; in fact, it's moved up a month from the schedule that was in the Semi-Annual. In the Semi-Annual, we talked about July 2010; and here we're saying it'll be June 2010. Be that as it may, it's a ways off. And I think that it's simply a matter of there are a lot of very, very important plans to do; and there is not only a limited amount of staff time, given all the budget considerations, but there are a limited number of hearing days for the Planning Board --for the Council. What we've tried to do is give the Council three to four master plans per fiscal year, which is what we've understood is pretty much what works with your schedule. We are very, very committed to holding to the schedule that you see here. So although Westbard does say 2010, I think we can commit that we aren't going to see slippage. It's not going to slip into 2011 or 2012. I hope that individual projects or individual requests for Zoning Text Amendments that may come up to each of you as



May 7, 2007

Councilmembers are things that you can feel comfortable in encouraging those potential applicants or property owners to be a little patient and to work with the planning staff as they begin efforts on Westbard which will begin – we're trying not to start it much more before the beginning of 2009 in terms of outreach. A lot of times what happens is if you start outreach too early in a master plan process, you either build up expectations among citizens that the plan is going to happen in a few months, and they get very frustrated because of that; or the research and the information you get from the outreach by the time you start writing the master plan has gotten cold -- it's gotten outdated in some way. So, again, our focus is to try to do master plans from start to finish in under two years; and that, again, Westbard is scheduled, as we had discussed in the Semi-Annual, but it is going to be a little bit out -- a little farther out datewise. That was based on a lot of discussions at the PHED Committee about pressing projects that are if not knocking at the door or about to be knocking at the door, in areas like the Wheaton Central Business District and Kensington and Takoma/Langley, that really are requiring very, very immediate action -- if the schedule counts as immediate -- more immediate action.

Councilmember Berliner,

Well, as a follow-up if I could please. Share with us your understanding – there's a major developer, of course, who owns a big chunk of Westbard at this time. And my understanding is that that developer was not intending to go forward outside of the master plan process. Have you heard anything to the contrary with respect to this slip in schedule? Will that create a different dynamic to the best of your knowledge?

Gwen Wright,

I have personally heard nothing of change. I've heard no information about this change in schedule affecting any property in Westbard.

Councilmember Berliner,

Okay. Because there is another conversation with respect to the Episcopal school there and proposals with respect to the redevelopment of that property. Have you heard anything specifically with respect to that and the impact of this delay on how that would be handled?

Gwen Wright,

I personally have not heard anything. I've not been contacted by any of the property owners in the Westbard area. Our Chief of Community Base Planning has not told me that he has been contacted, but I do not know of any change.

Councilmember Berliner,

Thank you. And let me -- one other point on your -- two other points on your work plan. One, let me commend the Committee with respect to Battery Lane. I was present for the discussion with respect to that. And I do think that there was a good accommodation reached with respect to looking at the issue of affordable housing -- low-cost housing -- and preserving low-cost housing in the context of a master plan, and combining a broad look with a look at a specific situation in which low-cost housing could be threatened.



May 7, 2007

1 And so I'm appreciative of the Committee's work in that regard. And finally let me just
2 ask, with respect to the matter that Councilmember Leventhal raised on the
3 Environment and Energy Plan, clarification on the \$160,000 that was put on
4 reconciliation. I know that the focus of the work, as currently proposed, is on the water
5 piece. Is the \$160,000 for the larger piece that the Park and Planning had proposed –
6

7 Gwen Wright,

8 That's exactly right. The Committee said for the Water Quality piece, either two
9 workyears or the equivalent in consulting dollars. And that is what is in the budget. The
10 \$160,000 would be consulting services to help them begin to define the larger work
11 that's going to come after the Water Quality study. As my colleagues know, one of the
12 initiatives that eight of the nine of us have embraced is in fact a directive to Park and
13 Planning, if you will, to take into account global warming in all of its major actions. So
14 from my perspective, this piece is very consistent with that. And my hope is that as we
15 look at the reconciliation package that this will, in fact, be one of the items that we give
16 serious consideration to. I thank my colleagues.
17

18 Council President Praisner,

19 Let me just make a comment about Battery Lane. When we did the Woodmont Triangle
20 Plan, we set aside and pulled out Battery Lane with the understanding that that would
21 move forward with some expectation of some speed. I think the BRAC announcements
22 exacerbated that urgency by folding this in and looking at it in the context of existing
23 affordable housing -- or reasonably affordable housing -- and the other issues in those
24 dynamics. It is obviously an exclusive area of the County as opposed to a broad
25 Countywide plan. But it does provide a framework for us to consider a variety of issues
26 that will transcend Battery Lane and go to other areas, not exclusively those on the
27 Master Plan list. So I'm hoping that it will shape not just our decisions on Battery Lane
28 that we deferred -- because we had recommendations for making modifications, and we
29 had property owners who wanted to make changes, and community concerns about the
30 language in the Master Plan as it related to this area. So it was a lively conversation,
31 and a lot of participation in the Woodmont Triangle discussion and public hearing
32 related to Battery Lane. So I think there's a sense of urgency and concern that it not be
33 dropped conceptually, but also that it not be dropped specifically. So there are both the
34 conceptual and the philosophical in the policy issues, but there's also a lot of pressure in
35 that area -- as certainly the councilmember from that district knows. And when we talk
36 about the base realignment issues, that modest housing in the context of a downtown
37 area, it provides some framework that we can use in Wheaton and we can use in
38 Germantown and we can use in Gaithersburg and Langley and everywhere else. The
39 only other comment I would make is that in the Langley/Takoma Crossroads, that is a
40 Bi-County Master Plan in that Takoma/Langley is the crossroads that's both counties.
41 And what we wanted to be clear about -- and the Councilmember for the 5th District
42 joined us for this conversation, as well as some of the others -- is that we defined the
43 parameters of this plan so that we're clear with both Prince George's County and
44 ourselves as to what area we're actually looking at. We've already had some concerns
45 about the Transit Center issues in that area and the focus of this Master Plan being
46 perhaps more narrowly drawn than what Prince George's County may want, because



May 7, 2007

1 they're looking well beyond that area -- or well beyond those intersections -- at
2 "redevelopment opportunities," is the way it's been presented to me.

3
4 Gwen Wright,

5 And we are looking at it as fairly narrowly defined geographically and tied in with the
6 whole potential Transit Center that would happen there. And we do need to work out
7 those expectations with Prince George's County.

8
9 Council President Praisner,

10 The other point I would make just in passing is that it will be, I think, a useful exercise
11 also to observe the extent to which you can do a Bi-County Plan. That's not unique in
12 that one of my favorite plans is the old Fairland/Beltsville Master Plan from the '60s that
13 I thought had some very interesting concepts and certainly had some improvements in
14 looking at things from a geography -- not from a political boundary perspective. And the
15 folks who live it live a geography and a community. They don't necessarily look at the
16 political boundaries as attested to by houses built over the County line which caused
17 problems for voters and public safety, etc. Council Vice President Knapp.

18
19 Council Vice President Knapp,

20 Thank you, Madam President. Just a quick question, and I know there's an easy
21 answer. I just forget what it is. The Bi-County Transit was listed as a specific project;
22 and the Corridor Cities is rolled in someplace, but I don't recall where it is.

23
24 Gwen Wright,

25 I'm sorry?

26
27 Council Vice President Knapp,

28 I'm just curious as to where we capture the Corridor Cities in the efforts associated with
29 that, from a planning perspective.

30
31 Gwen Wright,

32 Well, the Corridor Cities TransitWay is at a different point. The Bi-County TransitWay is
33 actually under study, as you know, by the MTA. And they're looking at specific
34 alignments. And they are at a point of trying to pick a preferred alternative to do an
35 Environmental Impact Statement. It's at a point that's farther along than the Corridor
36 Cities TransitWay in the sense that they're actively picking a preferred -- they're looking
37 at alternatives to try to actively pick a preferred alignment. And our staff, particularly in
38 Transportation Planning -- but also Community Base Planning -- is working closely at all
39 the public meetings that MTA is holding to look at those potential alignments. Now the
40 Corridor Cities TransitWay, there is discussion; but I don't believe there's the same level
41 of activate outreach to pick an alignment and to begin --

42
43 Royce Hanson,

44 There is an alignment.



May 7, 2007

Council Vice President Knapp,
Actually, I think we already have the alignment. The question is –

Gwen Wright,
Well, there's no active effort to get to a point where you're going to begin developing an EIS.

Council Vice President Knapp,
Hopefully the EIS should come out in the next six to seven months. That's our next step with that because all they've got to do is update the ridership numbers as it relates to the FTA's requirements.

Gwen Wright,
Well, I will have to check with -- I know that day-to-day there is a lot of active work going on with the Bi-County TransitWay.

Council President Praisner,
That's related to the EIS and the right-of-way issues.

Royce Hanson,
Yeah. Right now the State Transportation Authority is undertaking the alignment studies and the EIS associated with the Purple Line, which is much easier to say than Bi-County Transit Line. And the Corridor Cities TransitWay, that alignment has been –

Council Vice President Knapp,
They've designated the alignment.

Royce Hanson,
designated on the Master Plans, and it has been designated. As we deal with the -- particularly with the Germantown and Gaithersburg Master Plans, we'll be dealing with those.

Council Vice President Knapp,
They're all necessary. But because we've got the alignment already designated, we don't necessarily need to do the day-to-day activities until they do.

Royce Hanson,
That's right. It doesn't require the same kind of intensity on the planning side at this point that the Purple Line does.

Council Vice President Knapp,
Okay. Well, we ought to just follow back up on that though –

Gwen Wright,
Yeah.



May 7, 2007

Council Vice President Knapp,
-- because the perception is because it's not as far along. I don't believe that's the case. I think they're actually at roughly the same stage, and we're just waiting for the submissions to the FTA.

Royce Hanson,
I understand.

Gwen Wright,
It may be my newness of my position that I don't have all the answers, but --

Council Vice President Knapp,
That's okay. Sure.

Council President Praisner,
They're both at the same stage for certain things related to the state issues, but there is an alignment question with the Purple Line that they're doing intensive work to finalize to eliminate options and to zero on an option which has a different kind of impact at this point from a land use perspective.

Gwen Wright,
Right. And from a planning time perspective, it's taking an enormous amount of time.

Council President Praisner,
And that's the workyears that are associated here. Thank you. All right? Can we move on to beyond page 11 to Management and Administration? We've already had some conversation --

Marlene Michaelson,
Right. And let me indicate the Park and Planning Budget had approximately seventy different programs. The Committee reviewed each one -- not just to look at changes from last year to this year, but really to talk about the base of the program and what was going on. And I think because of time, I don't know whether the Council wants to go through every single one of these programs --

Council President Praisner,
No. What we're going to do is just -- let me take over her just for a minute, and we'll go page by page just to see if any lights go on -- not to have a conversation of introduction because we've had some of this already. Are there any questions on page 13, the Green Infrastructure Plan Environment Energy Plan? Page 14, Housing, Gaithersburg, and Centers Plan? Page 15, Germantown, Twinbrook Metro Center Plan? Page 16, White Flint? Just note on that that we had some discussion from individuals who were recommending that the service area of the plan -- the study area, I should say, of the plan be expanded to capture more geography. And the majority of the Committee recommended that rather than at this point in the process stopping the plan, lengthening



May 7, 2007

1 its time to come to us, that we make this a Phase One/Phase Two process. And
2 therefore, we will do the core first -- right over Metro -- consider those issues, and then
3 look at the second tier out from that in that context. So we are not slowing down White
4 Flint Metro Center by asking them at this point in the process to take the traffic analysis
5 and everything else that's been done to redo it for a broader geography.
6 Councilmember Leventhal.

7
8 Councilmember Leventhal,

9 I guess I'd just like to understand in a little more detail how much of a delay would be
10 involved because the boundary changes that have been proposed to us seem relatively
11 minor. So how much -- what would be the inconvenience of --
12

13 Gwen Wright,

14 What we have added in for White Flint Phase Two, which is on this chart, is it actually
15 becomes a new work program item which would begin the work in January of 2008. And
16 the Council would have it in hand by January of 2009.
17

18 Councilmember Leventhal,

19 Yeah. If it were included in a single plan, what would be the difference?
20

21 Council President Praisner,

22 What would you do with the first one that we would get?
23

24 Gwen Wright,

25 If we were asked to expand the boundaries that had been discussed, we probably
26 would not be able to get the White Flint Core Area to you in March of 2008. It would, I
27 would guess, delay it at least six months; that's a ballpark estimate.
28

29 Council President Praisner,

30 Okay?
31

32 Councilmember Leventhal,

33 All right. Any questions on the Wheaton Metro Center Plan?
34

35 Council President Praisner,

36 The Committee had recommended accelerating the plan in the context of comments
37 made to the community and developers and property owners when we did the Zoning
38 Text Amendment that a Master Plan change would follow soon thereafter. Any
39 questions on the Bi-County TransitWay or the Takoma/Langley Metro Center Plan?
40 Yes, George.
41

42 Councilmember Leventhal,

43 Just to note that the State of Maryland, as far as I know, is no longer using the
44 terminology "Bi-County TransitWay."
45
46



May 7, 2007

1 Council President Praisner,
2 Right. They're using Purple Lines.

3
4 Royce Hanson,
5 That's good.

6
7 Councilmember Leventhal,
8 So I would urge Planning Board to drop it as well. It's just called the Purple Line Project.

9
10 Royce Hanson,
11 Purple is good.

12
13 Councilmember Leventhal,
14 Yeah. But we should just be clear on the terminology.

15
16 Council President Praisner,
17 We should continue to -- go back to -- everything old is new again, right? Okak. All
18 right? The Kensington Sector Plan. We made some modifications that both accelerate
19 but also make a staging function that starts with Wheaton. Westbard we already
20 discussed. 355/I-270 supports the Park and Planning number of workyears with that,
21 with the understanding that we will get a wrap-up of the Centers and Boulevards Study
22 first --and also that some of this time will be allocated to Georgia Avenue Corridor
23 Study. Battery Lane we talked about. Highway Plan Update -- the Inter County
24 Connector. There are still issues obviously associated with workyears that both the
25 environmental and the other plan questions that are associated with that. The Growth
26 Policy, we already had a conversation about the workyears. And as we indicated when
27 we passed the resolution, there are both short-term and ongoing things. Every Growth
28 Policy resolution we've adopted had a work plan associated with it for further work. And
29 we expect that when this comes to us, it will lay out not just this first document, but also
30 the work that will be continuing. We discussed religious institutions. The Master Plan for
31 Historic Designation. We support the new part-time position to try and get a better
32 handle on expediting the review of properties that are languishing at this point on review
33 as to their inclusion in the Locational Atlas or their designation as historic. And the
34 additional work years in the Information Services in order to provide an expanded
35 initiative and outreach. The one thing that we did talk about is the Hansen system, a
36 proprietary system that manages the data associated with both Permitting Services and
37 Park and Planning. At this point I think they are each using Hansen, but not the same
38 system. And while Hansen as a system will be updated, there's some concern both from
39 Park and Planning -- especially from Park and Planning that the way in which they're
40 doing it now is a downloading and transfer and then uploading into your system. And
41 there should be a more efficient way of just accessing the data in both departments -- in
42 Park and Planning and in Permitting Services. I think, from our conversation, giving the
43 new director in DPS a chance to get a handle around this as well and have some
44 conversations about the need to both assess when the latest version will be available
45 and why the two departments can't talk to each other or access the information real
46 time. What we've done is recommended deferring new funding at this point until we can



May 7, 2007

1 get the two agencies to come to closure on the plan for integration, and the Committee
2 will have this coming back to us June /July time period. So you may see some
3 supplementals associated with this, but we need to reconcile these issues.

4
5 Marlene Michaelson,

6 And I think the intent is hopefully to get the coordination in place so that there doesn't
7 have to be a decrease in the funding in the budget this year.

8
9 Council President Praisner,

10 Correct. And the number of workyears associated with special projects -- the Committee
11 recommends reducing those associated with the recreational guidelines. We believe
12 that that can be deferred for awhile while we look at all the other issues like Infill
13 Housing, SilverPlace, and a variety of other issues that are a more immediate focus.
14 And in the areas of land use regulation, there are workyears associated with each of the
15 functions. I'm not going to go into them unless there's a light -- and there is,
16 Councilmember Berliner – on either 22, 23, or 24.

17
18 Councilmember Berliner,

19 This relates, on page 23, to site plans because there is an ongoing conversation here --
20 that I believe will come more publicly tomorrow -- with respect to whether or not your
21 people are being overworked and the process is too burdensome by virtue of the fact
22 that no amendments, no matter how minor, to a site plan may be acted upon by staff. It
23 requires the full gamut of Board approval. And so it seemed appropriate --

24
25 Council President Praisner,

26 Well, that was an action the Council took actually in the -- Yes, I understand. No one --
27 It's not their fault at all. The Council, in the post Clarksburg period, wanted to have them
28 look at everything coming to the Planning Board. And we did say at that point that this
29 would be reviewed as we went forward; but initially, there was that concern.

30
31 Councilmember Berliner,

32 So now the question that will be posed to us is whether or not, in fact, we did swing too
33 far; and now it's time to recalibrate a bit in order to ensure both the integrity of that
34 which we sought in the Clarksburg aftermath -- but not at the expense of every minor,
35 teeny weenie plant that has to be moved necessarily going to you for approval. It seems
36 a waste of your resources and others. But it seemed -- given that we are talking about
37 workyears associated with site plans -- that it might be appropriate to get your comment
38 on whether or not you think modification of that nature is appropriate.

39
40 Royce Hanson,

41 I think modification is highly desirable. If you just look at the items on our consent
42 agenda this week, you get an idea of the trivial nature of some of these things. I think
43 we'll be ready to bring you some specific recommendations on how to facilitate that
44 process. Well, I think the point is councilmembers are already going to be proposing a
45 recommendation that modifies that. We would anxiously await your reactions -- but also
46 if you believe that it is too broad, too narrow, or just right as far as porridge is



May 7, 2007

concerned. I would be very glad to sample that porridge. I think we've got some experience now that may be very helpful to you in calibrating that so that it works.

Councilmember Berliner,
We want it to work. Thank you.

Council President Praisner,
But the question is, I don't know whether it has an affect at this point on the Project Plan and Site Plan review workload.

Royce Hanson,
Well, yes, it does. I don't think – what it does is, it saps time in dealing with these matters that ought to be spent on more intensive scrutiny of site plans. But if somebody is out checking whether –

Council President Praisner,
So it's not a reduction in workyears, it's a more efficient use of the workyears.

Royce Hanson,
It's a better use of the workyears, yes.

Council President Praisner,
Thank you. Council Vice President Knapp.

Council Vice President Knapp,
Thank you, Madam President. General question first. Is the first part as we've gone through the number of workyears where we start to see a fairly significant variation from the FY07 estimated workyears to what has either been proposed or the Fed registration. So I just wanted to try and get a sense of how recommendations were made. If you had an estimated amount of workyears, given the fact you were taking a program basis, how you made significant adjustments, and to look at – for example, when you look at Special Exceptions, you went from ten and a half workyears estimated for FY07 to seven and a half for this year. And is that just a reallocation of work, where the estimated workyear is just –

Royce Hanson,
I'm sorry. Which page are you on?

Council Vice President Knapp,
On page 22. Was it just the work wasn't there for those types of projects -- we needed them other places – or I'm curious if we had an estimated number, how it ended up to a fairly significant shift in another direction.

Gwen Wright,
Some of these are corrections. You have to understand when we formulated the program budget, we didn't have a lot of frankly, data, to help us give you the best



May 7, 2007

1 possible numbers. Now, we are doing a much more detailed labor tracking that is
2 specifically related to the program elements, that is allowing us to refine these numbers
3 and hopefully give you truer work correct numbers.

4
5 Council Vice President Knapp,
6 That's fair.

7
8 Gwen Wright,

9 And that's going to have to be an ongoing process because were still pinning the labor
10 tracking down. I hope within another year or so, we'll have it down to more of a science
11 and less of an art.

12
13 Council Vice President Knapp,

14 And we've seen that with other departments, so that makes sense. Okay. And then a
15 question – I guess it's more topical – On Historic Area permits, I've had a couple of
16 situations that have come to my attention over the course of the last six months where
17 there appears to have been difficulty as to what the Historic Area permitting process is
18 relative to a more traditional DPS permitting process and how those points interact --
19 and having people move forward, because they've gotten release permits from DPS,
20 which then to find out after the fact that they actually weren't consistent with Historic
21 Area permits – only to then find out that everyone's caught in a bind because the
22 elements on the ground don't conform with what certain expectations were. And so how
23 do these workyears interact with DPS to make sure that people are working in sync with
24 one another so that when John Q. Public walks in the door and says, "I recognize I have
25 an historic property. I have these site plans; everything appears to have been signed
26 off," if they get a permit from DPS and assume they're moving forward with the blessing
27 of the County, only to find out they haven't -- how should this interaction take place?

28
29 Gwen Wright,

30 Well, number one is they shouldn't be getting a permit from DPS unless they have they
31 have an approved Historic Area Work Permit. And it actually ties into the earlier
32 conversation a little bit about the Hansen system. We, in the Historic Preservation
33 Office, have provided DPS with all of the premise addresses, tax account numbers, and
34 shape files for a GIS layer of all historic sites -- both Locational Atlas sites and sites in
35 districts on the Master Plan for Historic Preservation. And we have asked DPS -- and
36 they have within their system a way of flagging if a site is in the database as historic. If
37 that site is flagged, in theory their system will not allow them to continue with the data
38 entry to do a building permit or a fence permit or a sign permit or whatever the permit is
39 -- unless it's clear that there is an approved Historic Area Work Permit. Sadly, although
40 this process works nine times out of ten, there is always that tenth time. One of the
41 problems has been that even though DPS is using GIS layers of the Hansen system,
42 they're still very, very connected to premise address. So that if someone writes down,
43 "My house is at 12438 Old Georgetown Road" -- I'm sorry -- "Old Frederick Road," not
44 "1038 Frederick Road," and it's in the computer as an historic site on Frederick Road
45 because there really isn't an Old Frederic Road, but some people call it "Old Frederic
46 Road" -- it will go in their system and won't be flagged as an historic site because the



May 7, 2007

1 person at the counter has entered it in as "Old Frederick Road." And we've tried to
2 encourage them to go to using tax account numbers or the GIS layers that would allow
3 you to look at it visually and see that it's a historic site -- we haven't quite gotten there
4 yet. So there are times when an individual property owner will go in and get a building
5 permit from DPS without ever getting an Historic Area Work Permit. And those are the
6 problems. Because then a neighbor calls or someone calls, and we send an inspector
7 out; and the inspector sees that they don't have an Historic Area Work Permit and
8 needs to put a Stop Work Order on it because they haven't gotten everything they
9 needed to get their building permit. And we try to go back and work it out and negotiate
10 to get them to a point where they can have a retroactive Historic Area Work Permit; and
11 we can give then give the go ahead to DPS to lift the Stop Work Order and continue
12 with their building permit. But those are our most troubling cases. If it's any help, we
13 have a lot fewer of those cases than we used to. It actually used to happen, a number of
14 years ago, much more frequently. It's happening less frequently now. But when it
15 happens it's always very messy; and you probably do hear about it because they're
16 always very messy cases.

17
18 Council Vice President Knapp,

19 Very ugly. So presumably, once we get the Hansen system working across both
20 departments -- or department and agency -- we should be in a position to better --
21

22 Gwen Wright,

23 I would hope so. It's also a commitment to not only use premise addresses for
24 everything in DPS, but to go to actually pulling up information on a GIS layer and not
25 just going with premise addresses.

26
27 Council Vice President Knapp,

28 Well, you know, I mean it's somewhat of a discussion for another day. But it's
29 something, again, that we need to continue to focus on and make sure people know the
30 right hand and left hand because -- from the perspective of the people in the community
31 -- when they get something from the County, they've gotten approval from the County.
32 And they don't necessarily know. And all of a sudden they're caught in a bind, trying to
33 figure out how to reconcile the pieces. And they're probably least equipped to be able to
34 do that. And we're always so helpful at working together with each other to try and
35 rectify those issues that it makes it that much more fun for them to try and figure out
36 what to do. So, good to know there's --
37

38 Council President Praisner,

39 Well, the same question had come up -- a couple of folks have raised with me -- relative
40 to the designation of Rustic Road and how that appears when you're looking at and
41 reviewing site plans for new development as well. And that's an internal issue within
42 Park and Planning that some folks have raised some concerns about. So I don't how
43 your data on the designation of the Rustic Road pieces or the categories of roads
44 relates when a new developer comes in -- if it's the whole road versus a portion of the
45 road. That appears to be part of another problem. So let's move on, though. If there's
46 nothing more on 22, 23, or 24 -- on 25 is the Zoning Ordinance Reform. As you know



May 7, 2007

1 the Committee and the Council has supported and urged workyears to be related to,
2 and us to begin in earnest, a Zoning Ordinance reform. So we have supported the
3 positions and also discussed the issue of additional funds in consulting funds to ensure
4 that the project gets the kind of attention and priority that we've been asking for. On
5 pages 26 and 27 are the other subprograms -- the Zoning Text Amendment issues,
6 workyears associated with that; and private and public project coordinator, there are five
7 workyears associated with that; and the Intergovernmental Reviews, like mandatory
8 referrals and state annexations. And I guess we might want to look at that piece, but it's
9 about the same amount of workyears, as well as the Capital Budget review. We did
10 discuss a conversation that we wanted to have that would strengthen the relationship
11 between the Council's information on your review and comments on the Capital Budget
12 as it relates to other projects -- not just Park and Planning projects -- but that we need
13 the benefit of your prioritization, but also the benefit of your comments on what other
14 agencies are proposing in a more structured way such that they come to the
15 Committees when we are reviewing the Capital Budget -- at the same time as we're
16 reviewing the projects. And since we're starting a new six-year CIP next year, that
17 would be timely for us to discuss that and get it more coordinated. Mr. Hanson?

18
19 Royce Hanson,

20 One of my greatest surprises in coming back from the Commission was that that wasn't
21 apparently being done now. And it clearly is something that's related to Growth Policy.

22
23 Council President Praisner,

24 Well, the other issue we've had a conversation about in the past -- outside of this
25 discussion -- is the broad question of the capital projects associated with master plans --
26 or, in the departments of County government, long-range plans which identify a need for
27 a service in a specific area or an expansion of a facility that might not necessarily be
28 identified within the master plans that follow or preceded that long-range plan. And also
29 the fact that in many parts of the County, there is not vacant land in which to meet those
30 needs. And so it's an issue of having Park and Planning -- which may know of parcels
31 for sale, etc., or big office buildings or small ones that say "For lease, entire buildings or
32 portions thereof" -- that as departments of government need space that we take
33 advantage of those and take advantage of those opportunities. I've already had
34 conversations with the Executive Branch about a more aggressive real estate
35 management and identification of needs process that I think needs to occur. On page
36 27 is the actual conversation about the Development Review Fund and the Special
37 Review Fund. And page 28 are the issues of outreach and administration related to the
38 web content -- publications and workyears associated there. I think that might be a
39 place where, as we go forward, the issue of how much actually of personnel hours and
40 of development of programming is or could be associated with the cable fund. And I
41 would just ask Marlene for you to go back and work with staff. We identified \$36,000;
42 but I would like a more rigorous separation of what has been associated in the past with
43 the Council's cable initiatives that could continue as the Council's separately -- but pull
44 out the park piece and the programming there and the costs associated there and put
45 them, plus this new initiative, into cable fund requirements. Okay. The other is the GIS
46 system, and we just heard what can be done with GIS if both -- if all departments of



May 7, 2007

1 government use it in the same way and if the layers of the GIS are updated and
2 available from a land use perspective -- and then what layers might be needed from a
3 tracking of properties and what's associated with those properties. The planimetric
4 layers need to be updated on a regular basis. In the past, we've used the fees
5 associated with purchasing GIS access to our GIS data bases as a way to manage the
6 systems and manage our layers. But what we're finding is that most folks access this
7 now for free. And therefore the fees that have been associated with it are not being
8 generated. And the cost of updating the entire County with the kind of topography and
9 contours that are necessary to be accurate -- and in the past there's been some concern
10 because the federal government layers are not as accurate to the detail. I think ours are
11 2 feet, and I think the federal layers weren't as good. Actually the state of Maryland's
12 been a leader -- through Townsend and through our own offices here in Park and
13 Planning -- has been a leader in geographic information services. Townsend runs
14 conferences and meetings every year. There's even a piece in the layer now that's
15 associated with our Homeland Security through the systems of "EMMA" -- is the system
16 being used -- that's its affectionate title -- at the state level as far as connecting people
17 with the kind of information for emergency response. So there are a whole host of ways
18 that this can be useful. We've had conversations about how the Health and Human
19 Services Department can use this to map where clients are coming from and to get a
20 better handle on organizing the delivery of those services. When we talk about wanting
21 to expand an outreach from a long-range plan for departments, knowing where your
22 gaps are, knowing where your clientele comes from through a GIS function can help
23 you to do a better job. Identifying vacant land, identifying land where leases may come
24 up and where they may be on the market are also initiatives that fit other priorities. What
25 we have recommended is placing \$150,000 on the reconciliation list for an updated GIS
26 Strategic Plan. And both PHED and MFP have been looking at these issues. Because
27 this may be necessary to spread over two years, the Committee recommends two
28 \$75,000 phases. The question I would have us go back and look at between now and
29 reconciliation is the extent to which that might fit a technology project as far as access
30 and funding sources. And we'll have to go back and look at that issue.

31
32 Royce Hanson,

33 I just would say that this would be a high priority, I think, for us on reconciliation. Also,
34 Karl and I have talked about making this a major initiative of the Interagency IT
35 Committee which I'll share this year because there are a lot of really important
36 applications, as President Praisner has said.

37
38 Council President Praisner,

39 Absolutely. The only question I might have is the extent to which the public might have
40 access to these and how we might use this as the public having access. One way that
41 they might have access is through our Internet systems and through technology which
42 might justify it as a technology-fund project. Councilmember Trachtenberg.

43
44 Councilmember Trachtenberg,

45 Actually I'd like to add into that. I know that the MFP Committee is planning on having a
46 conversation with HHS around some strategic planning in this area for them. And I



May 7, 2007

1 would suggest that it might be rather timely to have Park and Planning join us during
2 that worksession -- again, understanding that the needs are very different. But I think
3 that there would be some benefit in having those two conversations happen back-to-
4 back.

5
6 Royce Hanson,

7 We would be very glad to do that. I've had some experience in the use of GIS for other
8 kinds of information, and I know it can be an extraordinarily powerful tool in all sorts of
9 public service activities -- particularly public health and safety.

10
11 Councilmember Trachtenberg,

12 Yeah. And that's exactly -- I know that you do have that experience. So I figured you'd
13 be able to share some valuable experience with us.

14
15 Council President Praisner,

16 The Strategic Plan for GIS and the MOU are both outdated; in fact, The MOU lapsed
17 five years ago. And so it is important for us to pull this together this coming year.
18 Because as I said, Park and Planning uses the tools, but also provides the underpinning
19 layers. If those layers of the geography of the County aren't accurate and aren't updated
20 on a regular cycle, then everything else that anybody might want to place on it -- like
21 where the fire hydrants are, where hazardous material might be, etc. -- is going to be out
22 of whack because it's not going to be on the lines that it needs to be. In the professional
23 services for master plans, the Committee supported funding totaling the \$75,000 for the
24 three master plan areas. In the other professional services, the Committee
25 recommended reducing the funding by \$25,000 for the economic analysis, and
26 encourages some collaboration with other units and departments on that issue that
27 might, perhaps, generate some efficiencies but recommends the others -- which takes
28 us, then, to the Commissioners Office. And there's a reduction in staffing -- actually, it's
29 the way we've separated the departments and created the new departments that leads
30 to actually a reduction of one workyear when you transfer two workyears to the Park's
31 Department. Then come to Central Administration. This is the section of the budget
32 which is the piece that we have to reconcile with Prince George's County. It's the staff
33 that is supposed to be the central administrative staff. I say "supposed to be" because
34 that's the way it was designed. The Committee felt that a significant part of the issue in
35 the future is what should be done centralized in CAS and what should be decentralized in
36 both counties. At the point that we were reviewing this budget, we did not have any
37 sense that Prince George's County had any questions or concerns about the budget;
38 but there are five new positions in three departments. There is in Finance a new
39 information technology position for security management and security-related functions.
40 There is also, in the Department of Human Resources, an additional two new positions
41 for recruitment activities. One workyear was added last year for that purpose; so it
42 would be, within two years, an addition of three positions. And the budget includes
43 restoring funding for a law clerk, that I think had been there before, and the addition of
44 one workyear for a staff contract attorney to support reform initiatives both in the
45 Planning Department in Montgomery County and the conversion of an existing legal
46 secretary job to a career position in order to comply with personnel policies. Again, what



May 7, 2007

1 we have now learned is that there may be some questions by the Prince George's
2 County Council associated with the legal staff, and maybe the legal additions or
3 modifications. I'm not sure what they recommended. The Committee was split on the
4 issues of the Central Administrative Services. Staff had recommended deferring funding
5 for a new recruitment position given that we've had significant conversation about
6 decentralizing recruitment. And so until we have a study and some conversations about
7 centralization/decentralization, Council staff – and I was in the minority -- supported
8 deferring funding for a new recruiting position. I see no lights. I would just note that we
9 may have to come back to the CAS position issues as we negotiate with Prince
10 George's County. And the Planning Board is not recommending raising any fees in
11 FY08, and we had supported that. The additional information, obviously, in the Program
12 Budget about expenditures and tying those to the fee-driven functions should provide us
13 some opportunity in the future to look at cost recovery associated with the fee functions.
14 But we did increase fees significantly last year. So we're not asking the Planning Board,
15 nor is the Planning Board requesting, an opportunity to increase fees at this time. We've
16 already talked about Special Revenue Funds. That would take us to the Park Fund
17 unless there are any questions. Marlene, do you want to start on the Parks; and I'll jump
18 in?

19
20 Marlene Michaelson

21 Sure. The real overview issue that the Committee considered was how the Council is
22 able to determine whether there is an appropriate level of staffing to go to the Park
23 functions. And the Committee and Council had been raising this question for numerous
24 years. Funded -- or directed an intensive IBR that looked at this issue found out many
25 other progressive park systems around the country used sort of computer-based
26 systems to monitor time associated with different functions; and that's how they tracked
27 it. So the Council did fund a system called SmartParks for the Park System. We don't
28 yet have the results -- or we are beginning to have some results from this system, but
29 not answers to the questions the Council asked about some of these efficiency issues.
30 The Department indicated that they're working in this direction, and I know the
31 Committee very strongly encouraged future endeavors to try and get some of the
32 answers to the questions that the Council has asked for a number of years. And they're
33 going to move in that direction. From there, we move on to some of the program issues
34 with Parks, beginning on page 38 of the memo; and to begin with -- and I'll turn this over
35 to the Chair of Public Safety -- there was some request for additions in what was
36 essentially the Park Police Budget, both for three workyears of civilian positions and
37 then also for an increase in the Park Aide Program, otherwise known as the Park
38 Ranger Program. And you see on pages 38 and 39 the PHED Committee's discussion
39 of this. But also attached to the memorandum is a -- and I'm going to try and find it -- but
40 a separate memo from the -- and that was actually a separate memo, I guess, or was it
41 -- no, I'm sorry -- attached -- from the Public Safety Committee -- and we're going to try
42 to find it for you in a minute -- summarizing the Public Safety Committee's
43 recommendations on funding for this issue. But on the three civilian issues -- oh, it's
44 Circle 95. Councilmember Andrews, do you want to do this; or do you prefer that I try
45 and do the crosstalk between the two committees' positions?
46



May 7, 2007

Councilmember Andrews,

Well, let me give the Public Safety Committee view on it; and then I guess we'll be coming back after the Park Fund to talk about the general Park Police Budget.

Marlene Michaelson,

Yes. That's right.

Councilmember Andrews,

But in terms of the Park Aide Program or what we also know as the Ranger Program, which the Committee reviewed during the year and reviewed at the Committee session and was impressed by the results. The park aides or park rangers were used primarily to do park checks. And they conducted approximately 2,800 park checks during the year, with five aides, between July and October -- which in itself was an impressive result in getting the aides on quickly and freeing up Park police officers to focus on what only they can do in terms of enforcement. The park aides focused on 13 to 16 parks throughout the County where there's been a history of calls about problems and use of the parks -- sometimes conflicts between users -- and permits, things like that. They increased by almost that entire -- there were, I think 3,500 park checks -- 3,300 or 3,500 park checks done in the last year -- 2,800 of them or so done by the aides during that period. And the number of complaints did go down about 30 percent, which we attribute -- in part at least -- due to the work of the aides in helping to avoid these conflicts which are increasingly potentially there because of the tremendous demand for fields in this County. So the Committee felt that the program worked well. The proposal from Park and Planning was to have two full-time -- four full-time positions in this program. The Committee recommendation was to have two full-time and two half-time positions, and also to support a civilian position that would bring on a volunteer coordinator to help work with the volunteers that are in the Park Police Service now -- which are a number of about 30, 35 -- to make sure they're well used and that we continue to have a volunteer program. At some point, you must have a volunteer coordinator to have a good volunteer program. And that has been a problem now last year as effort has been shifted toward more patrol and away from some of that work. So in terms of the Park Aide Program, the Public Safety Committee is recommending a slight change from what the proposal was; and that is to go with two full-time and two half-time for the coming year. We felt the program proved itself and is worthy of continuing and helps free up police officers to do enforcement functions.

Council President Praisner,

And I think the Committee had some conversation that concerned them about the evolving job description for park aide. Part of it is that we have been using "aide" or "ranger" at different points in time. And we originally heard it one way, and now it's described a different way -- job description title issues probably, not really problematic -- but we do need to be consistent in the way we refer to them. The Committee is supportive but doesn't -- the Committee's desire was to try to get a handle on the experience and the work and the job description issues before we expanded significantly in this area. And from a coordinator and personnel perspective, the concern was: given all of the new positions that are being added in the Park's Department or proposed for, that we need to have more experience before we continue adding



May 7, 2007

1 additional staff for administration of this program or additional personnel. So that's
2 where the Public Safety Committee was – I mean the PHED Committee was.

3
4 Marlene Michaelson,

5 Yeah. If I can just elaborate a little on where the PHED's reaction to Public Safety's
6 recommendation. On the four park aide positions, the majority of the PHED Committee
7 agreed with the minority of the Public Safety Committee -- which was recommending
8 two full-time positions and three part-time positions. And Councilmember Praisner and
9 the minority only wanted three part-time positions – those are on the Park aide. And
10 Public Safety is the Committee with jurisdiction; so theirs, of course, is the standing
11 recommendation. But I wanted to make sure you knew about the alternative.

12
13 Councilmember Andrews,

14 Yeah. And let me comment about that. And they're pretty close, really.

15
16 Marlene Michaelson,

17 Yes, very close.

18
19 Councilmember Andrews,

20 And the only difference is the support on the PHED Committee for an additional part-
21 time position -- which would be around \$18,000, I think, more.

22
23 Marlene Michaelson,

24 Right. It was -- instead of three workyears, it would be 3.5 workyears as opposed to the
25 4 that was originally requested. So it's still a reduction.

26
27 Councilmember Andrews,

28 It is. The thinking of the Public Safety Committee was that the position that we are
29 supporting that is proposed in the budget for a Volunteer Coordinator could help make
30 up that difference. All right. And some of the volunteers, with the assistance of a full-
31 time coordinator, would be able to provide the difference between the two and the three
32 part-time aides.

33
34 Marlene Michaelson,

35 Right. And then on the issue of the three civilian positions that were here – at the end of
36 the budget process, when the PHED Committee realized there was still a gap, they
37 asked the Parks Department to help identify reductions in positions – non-
38 recommended reductions to meet that. Their non-recommended reduction was the
39 senior administrative specialist/accreditation manager that's listed on the bottom of
40 page 38 of the memo. So the Committee recommends that reduction and also putting it
41 on the reconciliation list, as they did with all the non-recommended cuts. And I do want
42 to mention that although the majority of the Committee agreed with Public Safety on the
43 volunteer coordinator position, Councilmember Praisner in the minority did not support
44 that position.

45
46 Councilmember Andrews,



May 7, 2007

1 Fine. Let me see if we can get some agreement between the two committees on the
2 accreditation position. Councilmember Elrich felt that that position was not needed this
3 time and, in effect, would have supported what the PHED Committee recommended in
4 putting it on the reconciliation list. I'm comfortable with that recommendation as well. So
5 I see Mr. Knapp nodding his head. So I think we can agree that position would go on the
6 reconciliation list, so we'd have agreement between the two committees on that
7 position.

8
9 Marlene Michaelson,
10 Okay.

11
12 Councilmember Andrews,
13 Just for my colleagues' benefit, on page 13 of the Park Police packet, which is number
14 8, there's a very good summary of the Park Check Program done by the park
15 aides/rangers. And it shows the dramatic increase in the number of checks that were
16 performed in the last year as a result of having the park aides and a reduction in
17 complaints that also were received from the Parks that were the focus – the sixteen
18 parks that were the focus of the inspections. But it's a good indicator, I think, of the
19 effect of the program.

20
21 Council President Praisner,
22 Yeah. Personally, I think the program is effective. The questions that we have – or I
23 have -- are ongoing questions from when this was introduced last year from a question
24 of how you structure and how you grow the program over time. And I think there was
25 concern raised by staff when they were introduced and wanting to make sure that they
26 do not morph into more elaborate Public Safety position functions. And I think the Public
27 Safety Committee shared that concern.

28
29 Councilmember Andrews,
30 We did.

31
32 Council President Praisner,
33 And the question of whether two half-time positions give you more -- or half-time
34 positions give you more functionality or flexibility from a standpoint of when needed as
35 well as where needed.

36
37 Marlene Michaelson,
38 And just to wrap up that discussion, there was also within the Park Fund a
39 recommendation or request for an additional four positions as park technicians which
40 appeared to be a similar function. The Committee does not recommend funding them at
41 this time, but did put them on the reconciliation list. So that would yet be an expansion
42 on this whole effort.

43
44 Council President Praisner,



May 7, 2007

Yeah. And as I said, I think maybe a joint Public Safety and PHED Committee discussion of this whole issue – we would all benefit from it so that we have a clearer understanding of terms, functions, quantity, and work assignments as well.

Councilmember Andrews,
I agree.

Marlene Michaelson,
Okay. We are then in the middle of page 39; and I'm assuming, Councilmember Praisner, that you want to continue to handle this by comment only or –

Council President Praisner,
Right. Let me go through some of these because there are recommendations that have budgetary implications; and then we'll get to a piece where we can just go page by page without any -- unless there's councilmember comments. The issue we discussed already is the management structure and the number of positions, workyears, and grade levels associated with facility management. As Marlene indicates in the middle of page 39, the Committee supported a new division, but only one of the two requested workyears. Staff had raised some concerns about the organizational structure. We've already had a significant conversation about centralized/decentralized duplicative positions, and also the myriad of functions associated with managing Parks that are obviously different from managing of planning functions. The Committee, in essence, is supportive of the new division but only adding one workyear. The Committee also did not support funding the additional professional development funds until we can have a better tracking of those amounts. For fiscal reasons, the Committee recommends beginning funding the internship funds at 1.2 workyears, and placing the other 1.2 workyears on the reconciliation list. We're supportive of the internship concepts but, obviously, tasked with trying to find reductions and modifications. We're phasing it in a little more slowly. There's a workyear associated with the SilverPlace project. We were persuaded by the Planning Board, and by Dr. Hanson especially, that existing staff have a full-time job in addition to the work associated with SilverPlace; and that we're going to need to assign a full-time contract manager and take it away from the workload now of existing personnel. Much of this position would be associated with CIP charges -- that one project. The rest of it -- \$21,500 -- is Operating Budget.; and the Committee recommends approval of that. And then we talked about maintenance support of vehicles. And since we recommended only partially the positions, we were able to lapse -- and we lapsed some positions. We did eliminate some of the maintenance and cost for new vehicles associated with the new personnel. We supported a new position in land acquisition and also supported the deputy director position that we talked about earlier. The Committee did not support the IT support specialist for the Volunteer Services Office at this point. Majority recommended placing it on the reconciliation list; and that's, basically, what needs to be said about that position. So it's on the reconciliation list. There is an administrative assistant in personnel that is associated with recruiting. The majority didn't recommended funding the position, but would place it



May 7, 2007

1 on the reconciliation list pending the discussion with Prince George's County Council
2 regarding CAS recruitment positions. Councilmember Floreen supported the position
3 being funded now. Program analyst positions and staff recommendations in reductions
4 to some of the staffing contract associated on page 42. We took some reduction, but
5 recommended that the \$100,000 reduction be placed on the reconciliation list in two
6 \$50,000 increments which would -- if funded, one or the other or both would expand the
7 contract service options. The majority of the Committee supported the request for a new
8 position for partnerships to increase coordination and the Department's subsequent
9 recommendation to limit the increase of workyears to one workyear in order for the
10 spending affordability process. I personally believe that there have been some concerns
11 in my mind associated with the partnership process, especially the question of whether
12 the partnerships in the end cost us more money than they benefit. And so I wanted to
13 slow down some of this initiative until we could get a broader handle on that. There are
14 6.7 workyears associated with that. The proposed workyears are 8.1. In the end, the
15 Department had recommended and the Committee accepted a .4 reduction. My position
16 would have been to keep it without -- to reduce the position and keep it at the levels that
17 are currently associated with it until we have a broader association. Councilmember
18 Knapp.

19
20 Council Vice President Knapp,

21 Thank you, Madam President. This doesn't fit necessarily to this topic in particular; but
22 for staff, is there a point where -- or a place within this document that talks about the
23 number of additional workyears, and then additional workyears that have been placed
24 on a reconciliation list, so we can get a broad sense of where that is?

25
26 Marlene Michaelson,

27 Yeah. If you turn to the -- there's a separate color chart.

28
29 Council Vice President Knapp,

30 This one?

31
32 Marlene Michaelson,

33 Yes. That adds up -- Got everything here.

34
35 Council Vice President Knapp,

36 Right.

37
38 Marlene Michaelson,

39 You see first the Master Plan schedule, and then the first two pages of that list the
40 Administration Fund. If you go to the bottom of the second page, you can see that the
41 request was for 179.3 workyears, and the PHED Committee is recommending 177
42 workyears. And of those --

43
44 Councilmember Andrews,

45 I don't think we're there yet.



May 7, 2007

1 Council Vice President Knapp,
2 Hold on.

3
4 Council President Praisner,
5 It's Circle 117.

6
7 Marlene Michaelson,
8 Yeah, I'm sorry – Circle 117.

9
10 Council Vice President Knapp,
11 Okay.

12
13 Marlene Michaelson,
14 Okay. If you look across the bottom there, that's the summary of the workyears for the
15 Administration Fund.

16
17 Council Vice President Knapp,
18 Right.

19
20 Marlene Michaelson,
21 And then if you go – turn a couple of pages further, you can – Hang on before you leave
22 there.

23
24 Council Vice President Knapp
25 So the proposed additional workyears is 8.8 – that's proposed -- and the Committee
26 was at 7; so effectively we put – what? -- 2 workyears on the reconciliation? No. In the
27 case of the Administration Fund, there are not workyears on the reconciliation list. All of
28 the workyears on the reconciliation list are in the Park Fund; but in the Administration
29 Fund, the requisition list was for consultant funding. When we get to the Park Fund,
30 you'll see that some of the positions that were cut were put back on the reconciliation
31 list.

32
33 Council Vice President Knapp,
34 Okay. So the 8.8 workyears as recommended by Park and Planning from the 179.3 are
35 effectively -- have been -- are okay?

36
37 Marlene Michaelson,
38 No. The Committee's recommendation is for 7 of those –

39
40 Gwen Wright,
41 Well, it's 6.5, and 2.3 are taken off –

42
43 Council Vice President Knapp,
44 Aren't even on reconciliation – they're just reductions. Okay. All right.

45
46 Marlene Michaelson,



May 7, 2007

1 And then if you want to go down to the end of the Park Fund -- on Circle 122 -- you can
2 see that the Department asks for 870.8 workyears. The Committee is recommending
3 837.6; and although we had not summed up the reconciliation list. if you skim down that
4 column -- and I'd be happy to add it up -- you can see the number. There were many
5 positions that were put on the reconciliation list for the Park Fund.

6
7
8
9 Council Vice President Knapp,

10 Okay. So if I look at the 27.6 additional workyears here, look at difference between the
11 870 and the 837, I can going back to the reconciliation list and figure out the differences.
12 Right.

13
14 Council President Praisner,

15 Not all the Park workyears are on the reconciliation --

16
17 Marlene Michaelson,

18 No, not all of them -- not every one of them.

19
20 Council Vice President Knapp,

21 Okay. So the Committee approved 26 positions above last year's appropriation and then
22 placed a number of positions above that on the reconciliation list.

23
24 Marlene Michaelson,

25 Yeah. It's about 15 positions.

26
27 Council Vice President Knapp,

28 On reconciliation. Okay. All right. Thank you very much.

29
30 Gwen Wright,

31 One point of clarification for that first group -- that is not the whole Admin Fund; I believe
32 that is just the Planning Part.

33
34 Council Vice President Knapp,

35 For the first number we went through?

36
37 Gwen Wright,

38 Yeah.

39
40 Council Vice President Knapp,

41 Okay. Great. Thank you very much.

42
43 Council President Praisner,

44 Okay. Property Management. Are there any questions on page 43? Oh, I'm sorry.

45 Roger Berliner.



May 7, 2007

Councilmember Berliner,

I had a similar question. I was hoping, if it's not inappropriate, to sort of have a step back and overview on the Park piece. I think we had the Planning piece; but my understanding is that most our changes in the budget really have come in the Park piece – that we were fairly “generous,” for lack of a better word, with respect to the Planning piece in terms of funding most of the requested positions.

Marlene Michaelson,

Right. But just to indicate the contrast, the Planning Department asked for, I believe, it's about ten new positions or even less than that -- 8.8 workyears -- and in the Park Fund, it's 60 new workyears – so that in Park, you have a much larger request. In Planning, you're correct that the Committee did agree with most of the requested positions; in Parks, they did not; but it was a much -- there were far more new initiatives recommended in Parks.

Councilmember Berliner,

I guess what I was hoping if it's appropriate is to get some statement from Park's folk as to why it was that they made such a significant request for increased personnel, and respond to the recommendations that have come us with respect to the reductions in that request -- because it is difficult for this member to understand the larger context. So

–

Royce Hanson,

I'll let Mr. Mooney deal with the detail; but basically, there are a number of programs that have simply not kept up with the expansion of the park system over the last several years. And I thought it was very important for the Department to tell you what it thought it needed to operate the park system at the level that people expect it to be operated at. But, Bill, you had more on the detail.

Bill Mooney,

Just to add a couple of thoughts to that in terms of the bird's eye view of, I think, what has been proposed and then what has been done by the Committee. When we did the program analysis, it showed I think – I'm not going to say a disparity, but a significantly higher percentage of our work going to Parks Services -- which are the active recreation, ballfields, etc. -- and a smaller going to stewardship and cultural resources which is more the shepherding of the valuable resources. And in our request, we had some things in the administrative line -- which the Committee has supported and I think will keep us in good stead for quite a few number of years to come – And then the Committee, I think very purposefully, judged and Marlene put in there that a significant amount of our new resources that could be afforded this year should go to the stewardship, education, and cultural resources. You see trees and historic resources and all got the significant percentage of the other resources, whereas was the active recreation side is sort of hold the line. Now, the way our budget is now structured, you will see in the future we probably won't be changing – although I'd like there to be continuing conversations about in the subprogram areas -- the visions, the objectives,



May 7, 2007

1 and the multi-year goals for the Department. And they're in the budget this year. That's
2 going to be part of the improving the presentation -- that those things will come front and
3 center. And then in years to follow, we'll just be looking to move a little farther along in
4 getting to those visions. But I thought, for my purposes, it was a very thoughtful action
5 on the part of the Committee that they said, "Let's focus on natural resources,
6 education, cultural resources; and we'll look at the other needs." The other needs are
7 still there; they will be there. But it's a matter of competing value needs, and that's
8 where we ended up. I hope that is helpful.

9 Councilmember Berliner,

10 So if you would be so kind as to give me an example of that which under -- for example,
11 active recreation -- you thought we had to do that we won't do, so that I understand
12 more fully the trade off.

13
14 Bill Mooney,

15 I don't know that I would characterize it as "we won't do" -- we will eventually do. For
16 example, in hard surface trails, we would like to be inspecting them and maintaining
17 them more frequently than we are able to do it now. That doesn't mean they are not
18 useable; and it means in a future year we will be back, and we'll ask for that second
19 crew again. And we'll get there someday as resources become more available. We
20 have a Strategic Plan for our nature centers that point us to getting more out in the
21 community and being -- providing more programs and some outreach to seniors as well
22 as school children. The Committee this year said, "Don't have the resources; let's look
23 at that in a future year." And under the program of Nature Centers, that is still our vision
24 -- that we should be going in that direction. And under Program Budgeting, what I think
25 you should do each year is see if you can move farther along to that vision. And I think
26 the conversations that need to be had in the interim is, Are we all in agreement on the
27 vision? Is the community in agreement on the vision? Is the Council in agreement with
28 the Planning Board on the vision? And then you just see how you can get there.

29
30 Royce Hanson,

31 I think the Committee fairly looked at these things. And as you notice, most of the
32 changes that the PHED Committee made were based on fiscal reasons. And while I
33 wish I didn't, I do understand that kind of constraint. The other point, I think, is one that
34 Marlene made in her cover memorandum; and that is that we should be able to make --
35 as we improve our work with the Program Budget and with SmartParks -- more
36 compelling justification for some of these additions than we're able to do just based on the
37 judgment of the managers at this point. So anything you see here that's going away, it'll
38 be back.

39
40 Marlene Michaelson,

41 And if I could add sort of a -- I think Mr. Mooney described this correctly -- what the
42 PHED Committee did not recommend funding were incremental increases in existing
43 programs primarily related to recreation. So where there were 30 workyears doing field
44 maintenance and they requested a year or two addition, the Committee said, "Hold to
45 what you did last year." In the natural resources and stewardship area where there are
46 new initiatives related to environmental priorities -- namely, trees and non-native



May 7, 2007

1 invasive species – they were funded entirely. So the Committee focused on priorities on
2 issues primarily in the natural resources area that they think absolutely needed to be
3 addressed now; and on the recreational side said, “Don't fund the marginal increases.”
4 The one exception that was perhaps more than that marginal was the nature centers
5 where they were proposing a significant expansion based on a Strategic Plan they
6 prepared but which the Council has not yet seen. And the Committee said, “Show us
7 the Strategic Plan. Let's discuss this, and then we'll be willing to reevaluate it.” So I think
8 that's where the changes shake out.

9 Councilmember Berliner,

10 And do I understand from the Department that while you wish that we were in a different
11 fiscal climate, that you generally are comfortable with the value judgments that have
12 been made with respect to how to divvy up this finite pie?

14 Royce Hanson,

15 Well, we're not miserable.

17 Councilmember Berliner,

18 Because when you are -- it's not pretty when you are. (Laughter)

20 Council President Praisner,

21 Well, I think it's also a piece of the first year of program budgeting and a question of
22 whether where you put emphasis in this first year of program budgeting -- where we
23 know there are things that have been ignored from an environmental and nature
24 perspective -- where we need to, I consider it maintenance of investment versus
25 expansion of program, where the question is better data as to the demands and needs
26 and also, quite honestly, a better integration and assessment of the relationship with
27 other functions -- whether it is school functions or recreation department functions and
28 better coordination. So one of the things we've asked is the Recreation Department to
29 start to work from a Program Budget on the kinds of initiatives that they have: number of
30 clients served, number of customers served, number of workyears associated, amount
31 of revenue that might be generated, etc. When you start to overlay those, you may get a
32 better handle of where we need to put our priorities. And given the significant
33 management of personnel issues that have continued to be associated with Parks --
34 from a standpoint of hiring, assigning, defining -- I think there was a concern that we not
35 bite off too much more going down a road where we are, and a better assessment of
36 where we are data-driven, and then go forward -- plus some of these things that really
37 need to be taken care of, like invasive plants and things that really have been ignored.

39 Councilmember Berliner,

40 One member here just appreciates the larger context within which these decisions were
41 made. I am not obviously on the Committee, so I saw the cuts and didn't quite
42 understand the value judgments and now I do and I appreciate the explanation. And I
43 appreciate that there are people that are not in abject misery with respect to this. So
44 that goes a long way. Thank you.

46 Council President Praisner,



May 7, 2007

1 The Committee Member Floreen would like to comment.

2
3 Councilmember Floreen,

4 Thank you. I just wanted to point out a couple of things that Parks identified that are its
5 obligation currently which have been a choice of the Council over the years – one of
6 which is the assignment to Parks Department of the maintenance of a number of school
7 ballfields, and I guess it's somewhere in here that we will talk about that -- as well as the
8 provision of Park Police support for recreation centers. And they identified that -- not
9 recreation centers, recreation activities. And it's a question of the interrelationship
10 between County agencies. But I think it was fair of them to point -- with respect to the
11 ballfield maintenance, we did not recommend funding more than the current contract at
12 this point -- to leave it for later discussion. And we did not attempt to redefine the
13 function of the Park Police with respect to the recreation activities of the County. But I
14 think it's important to recognize there are certain anomalies in the budget – where they
15 have been asked to step to the plate on behalf of other governmental functions as it
16 were. Step to the plate – clean the plate, as it were.

17
18 Council President Praisner,
19 Pass the plate.

20
21 Councilmember Floreen,

22 Yes. And that's part of their challenge, part of their responsibility, and something that
23 works to their disadvantage when you're looking at the overall budget. There are a
24 number of other things in that category one might suggest, but those two items in
25 particular were ones we talked about in Committee, and they offered up as they
26 sacrificial – I don't know that they'd be lambs – cannibalistic solutions to the problem.
27 But I think it's important to recognize that they provide a lot of support for other agencies
28 that's largely unrecognized but, indeed, works to their detriment when you're focused
29 solely on the bottom line. So I just wanted to add those points to the conversation.

30
31 Council President Praisner,

32 Well, and let me comment that the question then becomes how much staff they have
33 that are doing functions for others that they might not need if they weren't doing all of
34 these functions. So they also have the benefit of staff perhaps. But the point being that
35 we'll get to it, but I'd just as soon talk about it now. It's been brought up. There are two
36 options that we looked at, one of which we accepted partially and one we did not. The
37 first was they are, by virtue of an MOU relationship, a contractual relationship; where
38 sites, school parks, and school fields adjoin County parks, they are taking the cutters
39 and going right across the school system land, etc. And so there is a contractual
40 relationship to do this. There is a contract right now. The contract ends in January, I
41 believe. And what we did is fund only until January because we don't know what the
42 contract will be. And it also provides and requires an opportunity for us to have this
43 broader conversation, which may continue exactly what we're doing; but it's a time to
44 assess what is being done and how the responsibility is distributed. The second issue is
45 there are recreation facilities -- pools and other centers -- that are physically located on
46 park sites, the point being that the Park Police -- that the County police -- or let me put it



May 7, 2007

1 this way: Park Police are the primary responders in those situations. And the question
2 is, recreation provides no support financial for the supervision from a Public Safety
3 perspective of the pools and other items. The questions we will have to discuss in the
4 broad sense are, What would they be doing otherwise? Are they not on that field in the
5 park at the same time, etc.? How much of a workload is it? Is it de minimis or is it
6 significant? And how does one manage police time? I think those issues relate to
7 program budgeting and management questions that we will have to get more data on
8 before we make judgments that Recreation should pay for Park Police -- because I am
9 sure there are County police who respond on occasion, and Parks Department doesn't
10 pay County Police for those. Those are those quid pro quo questions that need to be
11 discussed in the broadest sense. But whenever you get to a fiscal crunch, folks always
12 identify the low-hanging fruit from their perspective or the obligations they see that are
13 not their primary responsibility. So we're going to have to look at these issues. Council
14 Vice President Knapp?

15
16 Council Vice President Knapp,

17 I want to build on that statement because I think what the Council President just talked
18 about is the notion of looking more broadly at programmatic activities. We've had a
19 number of discussions as it relates to after school programming, to pre-K programming,
20 to what we just talked about with Parks -- and what we've begun to recognize or should
21 have recognized all along is that there is no discrete category into which many of these
22 things fall. If a program takes place in a school after school hours, and is a non-profit
23 organization, is that a school function? Is that a HHS function? Is that a Rec function?
24 The answer probably is Yes, to some degree, to all of those questions. And so as it
25 relates to who mows what field or who funds which program, I think is something we
26 need to look at. The challenge is, how do we get everybody somewhere near the same
27 page so it's an apples to apples comparison? As you've said, just because Park police
28 may be responding, that may make the most sense and may be the most cost-efficient
29 way for us to proceed. We just need to make sure we can do that analysis the right way.
30 So I think that'll be -- it will be good although it will be an interesting challenge to have
31 between the departments and agencies because everything is intertwined, but it's not
32 funded in an intertwined way. So how do we tease the pieces apart? To that end -- and I
33 just wanted to follow up -- Dr. Hanson, in your initial comments you talked about the fact
34 that we have workyears identified within the budget as opposed to positions. That
35 makes sense. The question I have is, Given the fact that we have the SmartPark
36 analysis that we're looking at, we're going to get more information coming forward. And
37 I appreciate what the PHED Committee's has done because I think it makes a lot of
38 sense to identify kind of a theme. Do we have some sense as to how many positions
39 are associated with the recommended number of workyears so that we'd know how that
40 carries through it into the next budget -- into the base?

41
42 Marlene Michaelson,

43 We've done this sort of at a general level of assuming that even though a workyear on a
44 program may not be a position, that when the Committee recommends one less
45 workyear that is one less body; and we've associated average salaries with that.



May 7, 2007

Council Vice President Knapp,

Okay. So the 26.8 workyears that we've identified here, we assume, for all practical purposes, that lapse being taken into consideration – that's roughly 26.8 bodies.

Marlene Michaelson,
Right.

Council Vice President Knapp,

Okay. In the aggregate. Right

Council President Praisner,

Councilmember Elrich, the other member of the PHED Committee?

Councilmember Elrich,

A couple of things come to mind starting with the last point you raised. I think we need have to have a clearer idea of what the relationship of workyear is to people. Because it was rather confusing at one point going through there and thinking that when we were moving workyears around, in fact it wasn't quite as simple as moving people around.

Royce Hanson,
That's right.

Councilmember Elrich,

And that a workyear can be comprised of a bunch of different people; and so when you eliminate the workyear, you can't eliminate the people because it's like a fraction of somebody's time here and a fraction of somebody's time there. I didn't get terribly excited about the police issue or the fields issue in the sense that identifying who is responsible for it just sort of identified whose budget we had to put additional money into. If we're going to maintain the fields, at the end of the day it's either this contract or a different contract; but it's still a contract and it's still money. You can decide whether Parks should be responding as police or whether the regular police should be responding as police. But, if you cut the Parks because they're are not responding any more – you choose not to have them respond -- they need less officers. You can be pretty well sure that Chief Manger is going to say, "Well, if I'm responding to the Parks, I need more officers." And so there's not like a savings to be had. You may want a truer accounting of things; but at the end of the day, I suspect the things you have do -- it doesn't matter what department you put them under –

Royce Hanson,

Well, there be some difference in it. For instance, in police, we're a relatively small police force – a complement of what? -- about 95 to 100, somewhere in there. A lot of work time that you see in the police force, for instance, is travel time. So a lot of workyears are expended responding. And so one of the things ultimately we want to look at with this I think as we get into this probably next year is, Are there efficiencies to be achieved? If you've got a much larger police force that's on patrol and its response



May 7, 2007

1 time can be faster, that may be an advantage. On the other hand, there may be
2 instances in which notwithstanding the response time it takes, the appropriate response
3 ought be from the Park Police and not from the County police.
4

5 Councilmember Elrich,

6 I'm not particular who responds as long as the responses are adequate. I'm certain the
7 citizens don't really care about the color of the uniform that rides in there as long as
8 somebody rides in there.
9

10 Royce Hanson,

11 I think that's right.
12

13 Councilmember Elrich,

14 The last thing is the issue of the separation of Parks and Recreation, which I just find
15 curious at some level -- particularly when we're talking about recreation, operating
16 programs, and Parks operating programs -- both of which may look oddly like recreation
17 programs. And I think it is important to kind of figure out where these two things dovetail
18 and how they work together because I think this is sort of like a discussion we've had
19 about other departments -- we may not know what one group is doing that may well be
20 being provided by another group. And it seems to me there needs to be more of a
21 marriage between these two departments in terms of carrying out mission, and maybe
22 there's something to be gained from doing that.
23

24 Royce Hanson,

25 There may be. There certainly is in Prince George's County where the two are
26 combined.
27

28 Council President Praisner,

29 For fiscal reasons, obviously -- the incentive was there.
30

31 Royce Hanson,

32 There would be -- under the Regional District Act there would be another tax base or
33 recreation tax which could also be helpful.
34

35 Council President Praisner,

36 Well, again though, if I could interrupt Councilmember Elrich's time, the recreation tax is
37 a function of the property tax. So like the fire tax, if it's universal it really isn't a separate
38 tax from that perspective. It's just absorbed within the tax rate. So unlike the Park, the
39 Planning tax issues which we now face in greater form because of folks that are not in
40 the regional district tax area. Marc, back to you?
41

42 Councilmember Elrich,

43 The last thing I was going to say was I didn't think that -- I wish Roger were here
44 because he used the word "compelling." I don't think you lacked for making compelling
45 arguments for a lot of what we did in the Fund. I think that we don't have the compelling
46 revenue stream that lets us fund all the things that we feel compelled to do. I'm pretty



May 7, 2007

1 sure from looking at the things that are coming from the other committees that you
2 probably heard a lot of compelling arguments for things that you all said -- did in funds.
3 So I think that everything that didn't get funded wasn't because we didn't think it ought
4 to be done. It's I think -- we're up against the constraints of what we think we can do.

5
6 Council President Praisner,

7 I might ask staff to dig out for councilmembers -- just as I asked you to dig out the old
8 interagency -- the Community Use of Public Schools Task Force Report from '76 or '78.
9 You might want to dig out the study that was done for the Council in 1991 or '2 on the
10 combining of Parks and recreation that identified -- No, it's not worth it? It's there. It at
11 least should be useful for folks to know so that when the same arguments surface,
12 should they, you know what was said in the past.

13
14 Marlene Michaelson,

15 I will note that a lot of the arguments in that study are outdated, so --

16
17 Council President Praisner,

18 Correct. But I just think it's useful to always know what preceded before you study the
19 same issue again. I personally am going to pull out my chart that Councilmember Subin
20 created of duplicative functions among departments and agencies -- some of which we
21 tried to face in 1991-92. It was a very useful chart. Councilmember Andrews.

22
23 Councilmember Andrews,

24 Thank you. Just to comment on the maintenance of athletic fields -- including school
25 ballfields. It does make a lot of sense to me to have Park and Planning maintain the
26 school ballfields that are adjacent to its own. And I would echo what Councilmember
27 Elrich said which is, really the public doesn't care which government entity does it as
28 long as it's done. We have to care. We have to appropriate the money and allocate it
29 and make sure it's accounted for. And I do think there are efficiencies in having Park
30 and Planning do the ballfields that are adjacent to school ballfields. But the main thing is
31 that it needs to get done. And I know that the Council will be returning to this in the fall
32 to look at what would be appropriated for the second half of the fiscal year since it is
33 something that needs to be done. We've got to maintain our assets; and people really
34 notice this when the ballfields are not maintained; and we want them to be in good
35 shape. One of the things I think we need to look at is to ensure that there are similar
36 standards between the maintenance that the school system does for the ones it's
37 responsible for and the ones that Park and Planning does, so that they are roughly
38 comparable in terms of their maintenance schedules -- so you don't have widely
39 disparate results between schools. I think that can be a problem. So I understand the
40 Committee's recommendation. I was very concerned when I first saw it. I understand
41 the thinking that we are coming back to this in the fall and looking at the issue. But
42 obviously school ballfields and other fields need to be maintained decently. Thank you.

43
44 Council President Praisner,

45 Okay. I'm on page 45. Is there anything before 45 that anybody wants to talk about?
46 Otherwise, under Organized Sports, the majority of the Committee recommends shifting



May 7, 2007

workyears based on demands in different programming and field sports than was originally focused. Field Sports, 45. Again this is based on what we know now about activity requests -- activity focus. Multi-use courts, tennis courts, the regional attractions -- the Committee's recommendations are either to support the Park and Planning request or the modest increases associated with trucks and pontoon boats, etc. On page 48, the Equestrian Center's level of staffing. Committee recommends in Golf the level of staffing; in Ice Skating, the level of staffing. Council Vice President Knapp.

Council Vice President Knapp,

Just a quick question, and it doesn't necessarily -- well, it kind of fits with the staffing of the Equestrian Centers. As to the status of Woodstock Equestrian Center -- and I note there was an appropriation included in the state budget for -- I believe Bond Bill for \$500,000. And I've started to get phone calls from folks in the community not clear as to what the next steps will be as it relates to Woodstock. I just wondered if you'd give a two-minute update as to where we stand.

Royce Hanson,

The Bond Bill is a bond that was for the Parks Foundation which would be a part of the fundraising that it is supposed to do. This is being matched by private contributions from the individual donors. A glitch has developed in this in that rather than a \$500,000-dollar Bond Bill, it turns out to be a \$250,000 Bond Bill. And the other \$250,000 was -- the General Assembly apparently instructed the Department of Natural Resources to use grant money for playgrounds and fields in lieu of bond money. The problem with that is we had submitted applications for tennis courts and for basketball and multi-use courts for those funds. But we're told -- have been told by the Department that we will not have those funds available, that the only way that we will get the funds is for Woodstock. I think this is of concern not only to us -- it's a great concern to us; and I think it is a concern to donors as well who had not expected to operate within a zero sum basis and take resources away. The funding that is now -- basically, what I think -- and this still has to go past the Board, but I'll just give you a minute on this. The total development of Woodstock is in the nature of about \$10 million for capital expenditures. The operating cost of Woodstock will be about \$1 million a year. Some of that may be recoverable from fees -- certainly, some will. It's very unlikely that the full cost can be recovered from fees. So the extent to which we develop Woodstock is going to ultimately depend on the willingness of the Council and the Executive to fund the difference between what we can get from a sound business plan and fees and what it actually costs to maintain the facility. This is a splendid park. The donors were extraordinarily wonderful in giving us eight hundred acres. We have trails in there now. We have a parking lot for people to trailer in. And we can develop it in stages with the capital funds that are available. If we use the capital funds that are available now, I'm hoping to set up a meeting soon with the Park's Foundation to see if they can undertake a serious capital campaign to raise additional capital costs for the operation. But at whatever level we fund it, we need to be ready to take on the operating costs of that level of funding. If we keep it at a relatively modest level of wonderfulness, then the operating costs will also be relatively modest.



May 7, 2007

Council Vice President Knapp,

So at this point, I'm assuming from what you just explained, this is a broader conversation that we'll have within next year's CIP and then the associated operating expenses that will go with it – at least according to what the phase-in will be.

Royce Hanson,
That's correct.

Council Vice President Knapp,

We're kind of in a little bit of a holding pattern. You've got to get a better sense from the Foundation as to what their fund raising objectives can be and what they can achieve -- and then we'll get yours next year; but –

Royce Hanson,

Well, there may be – some of this may come back to you before next year in terms of a CIP element, but I don't know what the schedule on that's going to be right now.

Council Vice President Knapp,

All right. Thank you for the update.

Council President Praisner,

But it does from my perspective -- this Councilmember's personal perspective -- raise issues about private public partnerships and the Foundation's role, etc., and understandings or implications, both from a donor and a government perspective, that need to be more clearly stated before we go down any path -- horse or otherwise.

Royce Hanson,

I couldn't agree with you more. You know, this was a new issue for me coming to the Board. It's certainly one I hadn't anticipated. And I'm trying at this point, with the assistance of our staff and Board, to try to get the issues very clearly delineated and understood so that the donors and the Foundation and everybody else -- and particularly the Council and Executive -- understand what the situation is, what can be done, what maybe should be deferred or done differently.

Council President Praisner,

Okay. With that in mind, we will move back to ice skating, mini-golf, splash playgrounds, trains and carousels. And if there are no questions about the Committee's recommendations on those – there is, on page 49 at the bottom, the Unprogrammed Open Space issues. And when we got to reconciliation, we thought -- in getting to the marked goal that we were supposed to -- that we would place the additional staff on a reconciliation list but that we would reduce or maintain the level of staffing for Unprogrammed Open Space that would fit the requirements of the number we needed to get to. Obviously, that was not correct; and we're going to have to go back and look at this issue as well as others. But this is basic maintenance for unprogrammed areas -- in other words, areas that are not scheduled, like mini-golf or ice skating or equestrian centers, etc. It's the open land that we have that's not programmed that needs to be



May 7, 2007

1 maintained on a certain level and the staff associated. I really think this is an area
2 where, in the long-run, the SmartParks system should be able to tell us how much staff
3 and what the workload is associated with these areas – especially to the extent they are
4 larger areas that do not have nearby programmed space associated with them. But the
5 Committee had recommended the 2006 level of staffing and not the increase. We may
6 need to go back to this. Picnic shelters, playgrounds. Again, we did not support
7 additional staff in some of the area of playgrounds in order to -- dog exercise areas,
8 etc., are maintaining the levels that we're talking about. We placed additional staff for
9 trails and parkways on the reconciliation list. And when we come to scenic parkways
10 and places to celebrate, we're basically supporting the Park's request; but we're going
11 to look at the Recreation Center issue, as I said, in the context of looking at the County
12 Rec Department as well and the overall recreation centers. Event centers, same level.
13 Large group picnic areas, same level. And now we get to Land and Resource
14 Management. We support those new initiatives. As Marlene indicated, they are
15 personnel to help with tree maintenance as well as some of the other initiatives
16 associated with general park maintenance. Horticulture, we supported the Park's
17 request. Natural Resource Management, we supported the request. We've asked for
18 further assessments of a Countywide strategy related to non-native invasive species.
19 We are interested, again, interested in placing on the reconciliation list the additional
20 personnel associated with Natural Resource Specialist position. There's a new position
21 also that the Integrated Pest Management -- the IPM position was a new position for
22 that responsibility. The Committee majority recommended that that should be infused in
23 all of the Park employee responsibility rather than having one person associated with it;
24 and so that position, by 2 to 1 vote, is not funded at this time. Anything on archeological
25 or natural surface trails that folks are interested in discussing? Otherwise there is a Sub
26 program on education and interpretation where we are maintaining FY07 levels. In
27 public gardens, the same. In some of the other -- I'm on Other Expenditure Programs,
28 on page 59. That's where the contract issue for school field maintenance in the southern
29 region and the issues of ballfield maintenance are ones that we will look at after the
30 budget but, obviously, before January. Maintenance standards. We're recommending
31 that they be incorporated into the budget in the future. The Support Service Budget is
32 being recommended as submitted by Park and Planning. The Enterprise Fund is the
33 Park facilities and services that are entirely or predominately supported by user fees.
34 And the issue that is an ongoing issue here is the concern by the Commission that the
35 Enterprise Funds not have to cover the debt service associated with the facilities that
36 are associated with the ice rinks and tennis bubbles and conference centers and park
37 facilities. We have this major issue that I think we have to go back and look at outside of
38 the budget discussion as to how others track this. As Dr. Hanson has indicated, he's not
39 aware of any park system that requires the Enterprise Fund to cover the debt service
40 piece. So we're anxious to look at that issue, and we will come back to it outside of the
41 budget. We do have an enterprise subsidy that is assumed to be associated with the
42 problems that have been in the past with the Enterprise Fund -- especially because the
43 golf courses, as you can see on the top of page 61, are estimated especially to lose
44 from an operating perspective. And that was part of the reason why -- lose revenue --
45 and that's part of the reason why there was the initiative to look at them and the
46 recommendation which the Commission supported to shift the golf courses to the



May 7, 2007

1 Revenue Authority in the broad sense of its management. They remain park sites, but
2 are managed by the Revenue Authority. The Committee recommends reducing the
3 Enterprise Subsidy by \$36,000 due to the decrease in workyears associated with
4 program recommendations. Again, we did not have a unanimous recommendation on
5 that point. I believe it was staff that recommended a further increase in that reduction in
6 the subsidy. I had recommended -- or I went along with staff for an additional \$200,000
7 in that category. Again, as I said, we've had a subsidy in the past. But the question of
8 whether the Enterprise Fund should be self supporting; what self supporting means --
9 whether it includes debt service or not; and whether there should be also a subsidy of
10 fees to keep the fees down is also a question that we need to look at in the context of
11 the policy on debt service -- but also the fee structure and the policy of fees -- whether
12 it's increased fees, reduced coverage by the Enterprise Fund, or a combination thereof.
13 Councilmember Berliner.

14
15 Councilmember Berliner,
16 Just a clarification request on the amount of debt service that we are currently -- the
17 amount of our budget going to debt service is what? I see the ice rink number is rather
18 substantial. Is that the exception to the rule?

19
20 Marlene Michaelson,
21 Yeah. Within the Enterprise Fund, that is the significant source of debt. They're
22 obviously associated with the golf courses as well, but the Revenue Authority is paying
23 rental that covers the debt services associated with golf courses. And I'm not aware of
24 any other significant debt associated with any enterprise facility, so it is the ice rinks.

25
26 Councilmember Berliner,
27 Okay. So I'm back to page 61 and looking at the chart at the top; and I see Actual FY05
28 and Actual FY07. Those are big numbers. They changed rather substantially -- each
29 one changes rather substantially. And then I'm looking at proposed FY08, and they are
30 very different. Can you tell me why the variations?

31
32 Marlene Michaelson,
33 Well, golf courses obviously is due to the transfer. On the ice rinks and social
34 conferences centers --

35
36 Councilmember Berliner,
37 I'm sorry. Talk to me about the transfer -- the transfer in and of itself did what
38 financially?

39
40 Council President Praisner,
41 It relieved the Commission of long-term deficits in that area.

42
43 Marlene Michaelson,
44 Right. Last year, golf courses were supposed to lose the Enterprise Fund approximately
45 \$1.4 million. By transferring the operation, the Commission still had some expenses
46 associated with it. And you can see in FY07, they're estimating that they still lost



May 7, 2007

1 \$557,000. That's in part due because there was a transfer, and they had certain
2 financial obligations to bring the golf course up standard -- still had some staff on the
3 books. But in the coming year, they're thinking that we're going to have gone from the
4 potential of \$1.4 million to a \$54,000 loss. I'll let that --

5
6 Councilmember Berliner,

7 And that is a function again, I'm sorry, of no longer having the deficit?
8
9

10 Marlene Michaelson,

11 No. They are no longer operating them; and they are getting a rental payment from the
12 Revenue Authority -- which is leasing the facilities -- and the rental payment covers the
13 debt service.
14

15 Councilmember Berliner,

16 Okay.
17

18 Marlene Michaelson,

19 So the Revenue Authority is operating these, paying Park and Planning a fixed amount
20 per year -- I believe it's somewhere around half a million dollars -- and that is covering
21 their debt service.
22

23 Bill Mooney,

24 About \$400,000 for the first six years. And the remaining \$54,900 associated -- there's
25 at least one golf employee who is on long-term disability that we have to continue to
26 carry, and a few other miscellaneous things.
27

28 Councilmember Berliner,

29 And do we know how our -- I happen to be a golfer, so I do care about these things --
30 how our golf courses compare as public golf courses with other public golf course
31 throughout the country? I actually have been fairly impressed with several of the
32 courses that I've played. But I am curious to know -- how do we rank and how do we
33 know that what we are offering is of a particular quality?
34

35 Bill Mooney,

36 Well, we've always felt we offer a good golfing experience; and the Revenue Authority
37 did as well. The difference, the way I would summarize it, is we were operating -- and
38 golf now is a very competitive business. It is expanding in terms of the supply, and
39 there's a very flat demand. And so it's become very competitive; and the Revenue
40 Authority is operating it as a business, and we were operating it as a park. And in
41 government, you have different personnel rules. You have the Union, and you have
42 different procurement rules. The Revenue Authority turned -- we looked at their stuff.
43 We were fairly competitive in prices with them, but our overhead was significantly
44 higher. And after looking at it for a long time, we felt the best way was to only have one
45 County-managed golf system. And the Revenue Authority had advantages in terms of
46 their ability to operate as a business.



May 7, 2007

Councilmember Berliner,
So we are pleased with the transformation –

Council President Praisner,
Well, the Council PHED Committee's going to have a discussion of the golf plan as developed by the Revenue Authority. But so far -- not without some bumps along the way. It hasn't been around that long, but –

Marlene Michaelson,
At this point, just to give you a snapshot, they believe that they are finishing this fiscal year covering all costs -- as opposed to the deficit that was supposed to have been run. And they have prepared a plan to -- for a significant capital investment in the golf courses, something which the Commission was completely unable to do because of fiscal stress. So just on a fiscal basis and capital investment basis, it clearly seems to be positive. I think in terms of condition of the courses or quality of courses, it's a little bit soon in the transition; but it'll be something the Committee and the Council will continue to monitor.

Royce Hanson,
Our initial indications are that the Revenue Authority's doing a very good job in managing the courses. Player satisfaction, from surveys that have been conducted, seems to be very good.

Councilmember Berliner,
Yes. I'll add my two cents. You can check me off, too.

Royce Hanson,
I think they're doing a good job.

Councilmember Berliner,
And with respect to the social/conference centers?

Marlene Michaelson,
That has been an ongoing money loss for the Enterprise Fund. And the Committee discussed the fact that there probably should be some discussion as to whether these are legitimate Enterprise Fund facilities. The Council may decide that you want to continue them because they serve a public purpose; but if you want to do so, you probably need to recognize that an ongoing subsidy may be necessary to keep them going.

Councilmember Berliner,
And how many are there? I know that there's one right up the street from where I live.

Marlene Michaelson,
Right. Is it three?



May 7, 2007

1 Bill Mooney

2 It's Rockwood, Woodlawn and Seneca.

3
4 Councilmember Berliner,

5 And are some doing better than others? We were talking \$92,000; I'm just curious. Is
6 Rockwood – which is in a magnificent location –

7
8
9
10 Bill Mooney,

11 Rockwood does pretty well. I don't think any of them – except maybe Seneca – actually
12 runs breakeven.

13
14 Councilmember Berliner,

15 Seneca does break even.

16
17 Bill Mooney,

18 I don't want to swear to that, but we can get that for you.

19
20 Council President Praisner,

21 I don't think we've gotten that kind of information at that detail. But we said we we're
22 going to look at the Social Conference Center policy and also the whole concept of
23 them and whether they belonged here or how we operate them – later in the
24 deliberations, not in the budget discussions.

25
26 Bill Mooney,

27 Right. These facilities are not necessarily competitive with the open market because –
28 Woodlawn, for example, has historic restrictions. We can't put up a real pavilion that
29 would make it probably much more successful – like is it Woodend, the Audubon
30 facility?

31
32 Council President Praisner,

33 Mm-hmm.

34
35 Bill Mooney,

36 But these activate these resources in a way that the public gets to use them and
37 experience them. So there are tradeoffs. And the subsidy came in some years ago
38 when it was recognized that the County's use of these facilities -- it sort of pays for that -
39 - and then there's also the issue that a lot of people ask us to waive or partially waive
40 fees because a lot of not-for-profits use these facilities as places to do fundraising. The
41 concern we have with that is then that the Park Fund is actually making the donation to
42 whatever their worthwhile charity is; but the Board has looked at that and said, "That's a
43 concern," because we're not authorized to make those kinds of donation. But it has
44 been a practice where actually this year we said we will not waive more than 50 percent
45 of any fee. You may hear some -- get some cards and letters on that. But at the same
46 time, we're looking really to get out of the business of subsidizing other people's



May 7, 2007

1 charities. They're all worthy causes, but you all have not said whether that's a good
2 thing or a bad thing to do.

3
4 Councilmember Berliner,
5 I look forward to the Committee's review of the Enterprise Fund and its operations and
6 your recommendations. Madam Chair?

7
8
9
10 Council President Praisner,
11 Councilmember Elrich.

12
13 Councilmember Elrich,
14 When you were talking about the difference between the Enterprise Fund – I mean
15 between the Park's managing the golf courses and the Revenue Authority, you said
16 something about labor.

17
18 Bill Mooney,
19 Right.

20
21 Councilmember Elrich,
22 What does that mean for the Revenue Authority? Union labor? Nonunion labor?

23
24 Bill Mooney,
25 They are not a Union shop.

26
27 Councilmember Elrich,
28 So our Revenue Authority is not a Union shop?

29
30 Bill Mooney,
31 That's correct.

32
33 Council President Praisner,
34 But it's also an issue of assignment of personnel -- different policies with a pro at the
35 golf courses, a whole host of ways in which the fees for rental of equipment and things
36 are operated.

37
38 Bill Mooney,
39 Yes. Oh, yeah. There's a whole long list of differences in terms of business practices.

40
41 Councilmember Elrich,
42 Can we get – I mean I would certainly like to get at some point the wage scale for what
43 they pay people to work there.

44
45 Marlene Michaelson,



May 7, 2007

1 Right. I would be happy to get all that information and the breakdown. My understanding
2 is the predominant source of the difference in the fiscal structure is not the difference in
3 the wages, but simply how they assign and use personnel. So we can give you that
4 breakdown; but I think they've just set up a completely different system for how they
5 provide incentives for employees. So, for example, incentive base for pros to bring in
6 additional players and revenues; and it's just a very different structure.

7
8 Councilmember Elrich

9 I can understand the pro issue. I'm worried about the people who maintain and do all
10 the work on the courses -- what they're getting paid and what the benefits are. Have
11 they basically put on a part-time staff that's not subject to benefits? You're shaking your
12 head -- yes?

13
14 Bill Mooney,

15 Yes, I believe that to be true.

16
17 Council President Praisner,

18 Well, why don't we get all the information before we make judgments because, to a
19 great extent, golf course are seasonal. So let's wait.

20
21 Marlene Michaelson,

22 Right. And even in the Enterprise Fund, it was predominantly seasonal labor; so I don't
23 think that's different either.

24
25 Councilmember Elrich,

26 I'd appreciate the analysis of these two things.

27
28 Council President Praisner,

29 Yeah. We'll get that information. Councilmember Andrews.

30
31 Councilmember Andrews,

32 I wanted to note that according to this Enterprise Fund, indoor tennis continues to be a
33 money-maker for the County. It makes about \$350,000 a year, which is why it was such
34 a wise decision for the County to invest in the Wheaton Tennis Bubble so that it will
35 continue to be a successful facility. And this is historically the way it has been in terms
36 of the Enterprise Fund results for indoor tennis; so it does stand out from some of the
37 other functions.

38
39 Council President Praisner,

40 Councilmember Leventhal.

41
42 Councilmember Leventhal,

43 Well, just for the benefit of my friend Councilmember Elrich, the question with golf is, Is
44 it in the public interest for the taxpayers to subsidize golf, even if a golf money-losing
45 operation may include golf employees in a bargaining unit? It's not an easy call. We
46 talked about this a lot last year; and MCGEO and others were unhappy about the



May 7, 2007

1 transfer. But ultimately the question comes down to, Should golf be self-supporting, or is
2 it in the general public interest that low-income and middle-income and every other
3 taxpayer support golf? And that's a policy call. Now, the other question about the golf
4 courses is if, as Bill says, demand is flat and competition is stiff, that land could at some
5 point in the future be used for soccer or for softball or for other uses for which there is a
6 very high demand. And it's not at all clear that every golf course is going to be a golf
7 course in perpetuity. I believe that all park land will remain park land in perpetuity. But
8 golf courses –

9
10 Council President Praisner,
11 Not all park land has remained park land in perpetuity.

12
13
14
15 Councilmember Leventhal,
16 As a general principle, right. No, from time to time you substitute an acre here for an
17 acre there; and that has occurred. But as a general principle we want to maintain and
18 increase the amount of acreage in parks. But I don't know that we should guarantee to
19 the public that every golf course will always be a golf course if the demand isn't there.

20
21 Bill Mooney,
22 In fact, the lease is not guaranteed.

23
24 Council President Praisner,
25 The contract -- the arrangement does not guarantee either the existing size or structure.

26
27 Councilmember Leventhal,
28 That's correct. I'm aware of that. My simple point is this, that if anyone is inclined to
29 reopen the issue of the transfer of golf courses from Park and Planning management to
30 Revenue Authority management, the better question might be, Do we really need this
31 many golf courses, or could some of this parkland be put to other purposes? -- rather
32 than having a public subsidy for golf, which I don't favor.

33
34 Council President Praisner,
35 Okay. I don't think that issue will be resolved today. In fact, the PHED Committee will
36 have a conversation on the golf plan, with a presentation by the Revenue Authority, at
37 which point we can have a broader conversation about golf as well as about what the
38 lease says and doesn't say as far as the contract is concerned. Okay. We are at
39 Advanced Land Acquisition, on page 63. The Committee supported the Advanced Land
40 Acquisition Revolving Fund as submitted by Park and Planning. As you know, it's the
41 intent for an agency or department that is going to build a project to use the ALAR Fund
42 to acquire the land; that way you can negotiate the cost of that without it being identified
43 initially. It also requires -- and I think this statement needs to be made, because it wasn't
44 clear in the past always -- that the facility that is built that used ALARF Fund must
45 include within its funding the reimbursement or repayment to ALARF for the funds.
46 That's why it's a revolving fund -- money in/money out. Money back in. Okay, the



May 7, 2007

1 Property Management Fund is -- we had just asked for a better presentation of the
2 information in the future so that we can look at the management of the residential
3 properties. There were some issues and have been issues about houses on park land
4 that we will continue to have discussions of within the PHED Committee associated with
5 affordable housing as well. And that, other than the Internal Services funds, are the
6 complete Park and Planning budget issues. Council Vice President Knapp.

7
8 Council Vice President Knapp,

9 I just want to commend the Committee and also thank Marlene and Jeff for -- I thought it
10 was an outstanding packet. While long, I think it actually showed how you can go in and
11 deconstruct a budget and show everything that's in it and have that much better
12 understanding as you build it back up again. And I also thank Park and Planning for
13 your efforts to move to a program budget because I think it gives the staff the ability to
14 actually give us the better understanding of what it is, rather than actually raising our
15 hand on at the end of the day. And so I think you very much for your efforts.

16
17 Council President Praisner,

18 I think this is an initial attempt both at looking at program budgeting that is very much
19 appreciated budget and obviously took -- on both sides -- it also allows us to get at the
20 base in the future and also to look at the dollars associated with initiatives, associated
21 with priorities, and some performance measures in the future. The one piece that I now
22 would turn it over to the Chair of the Public Safety Committee is for the Park Police
23 piece.

24
25 Councilmember Andrews,

26 Okay. Thank you. All right. I want to say that one of the most substantial interesting
27 aspects of this budget is the effect that it reflects a lot of the recommendations that were
28 in the Office of Legislative Oversight's base budget review of Park Police. So this came
29 out a year ago you'll all remember. The focus of it was to look at the deployment and
30 make to recommendations and see if there were more efficient ways to deploy. Park
31 Police responded; and we have a representative from Park Police here, I see. Please
32 join us at the table. And there are significant changes that have been instituted in Park
33 Police since the report came out in response to its recommendations and suggestions.
34 So that's significant. What has specifically been changed is the scheduling in terms of
35 when officers are on patrol. There's been a doubling up on weekends -- so reflecting
36 when the parks are busiest and where there are the most events that they need to
37 respond to. There has been recommendations for increased civilianization which were
38 the volunteer -- the volunteer positions civilianized the position to help with performance
39 standards and assessments civilianized. And the park aides, to some degree come out
40 of that idea as well, relieving the officers of some of that responsibility which can be
41 done by non-sworn personnel and leaving the officers to do the sworn work that only
42 they can do. So I think it's important to note the effect that the budget review has
43 already had on the Park Police Budget. Briefly, this is a budget that would essentially
44 maintain the number of personnel in the department with a couple of exceptions.
45 There's a description on page 2 that lays it out. There are 117 workyears approximately
46 proposed that reflect a couple of changes. The park aides/rangers are captured in



May 7, 2007

1 different offices, so they're not accounted for in those workyears; but the two civilian
2 workyears for volunteer coordination and performance assessment are. And I'd say the
3 main thing I want the Council to take away from this budget is the need to continue to fill
4 the complement of sworn positions. There are 95 authorized sworn positions; there are
5 roughly 90 in place now. The department is looking at five for the July recruit class and
6 lateral transfer. But there is normal attrition that occurs – that will occur between July
7 and the end of the year – and if the Department is to actually stay at that complement,
8 then it's going to need to add positions to the January recruit class. And this will tie into
9 something we take up tomorrow – which is the very important need to balance out the
10 recruit classes in the County Police Department proposal so that there's room for park
11 police and for the sheriff's deputies and for the municipal officers to be in that class. If
12 that isn't done, then there will be a problem. The Committee is recommending that in
13 order to account for the loss of officers that will occur because of attrition in the
14 remainder of this year, that three positions be added to the reconciliation list – which
15 would total \$102,000 for the half year. And that would be funded actually by the actions
16 that we've already taken -- or could be and I hope it will be. The Committee
17 recommended the reduction of \$45,000 in the proposal on the park aides, going with 2
18 and 2 rather than 4 full-time. And also as a result of the conversation earlier today,
19 Council has come to agreement on putting on the reconciliation list the position that was
20 in the budget for accreditation. I don't expect, frankly, that that will come off the
21 reconciliation list; but I would say it is very important that the money to fund the three
22 Park Police Officers in the January class of next year come off so that the Department
23 can stay and get to the full complement. That's been an expressed concern. Picture
24 briefly that we have a 495 square mile County. Over 200 parks spread across that
25 County that have to be patrolled. We have 65 officers or so in patrol. In terms of
26 availability at any particular time, we have 7 beats. So we have an officer, essentially,
27 on each of those beats during most hours; and then on the weekends there's a doubling
28 up -- at least in some of those areas. But by any measure, that is not a lot of coverage;
29 and it's a big County. So it's important to keep the Department up to where it needs to
30 be so it can continue to staff at that level. So that really is a quick summary of the
31 budget. We talked about the park aides. We talked about the civilian positions. Let me
32 turn to Linda McMillan just for a minute to see if there's anything she wants to mention
33 that I have stepped over. No. Okay. All right. Any questions?

34
35 Council President Praisner,

36 The only comment I would make, again, is that whether it's the Central Administrative
37 Services in Park and Planning where there needs to be reconciliation with Prince
38 George's and the \$2.9 million shortfall that we have to discover a funding for and
39 placing on the reconciliation list or whatever, that there are still issues associated with
40 Park and Planning that we will come back to.

41
42 Councilmember Andrews,

43 Yeah. I would just add I think that the response to Park Police to the base budget review
44 has been very good – very responsive. I think it's resulted in targeting resources more
45 efficiently based on when the parks are busiest and when the calls come in. And I think



May 7, 2007

1 it's a good response that's been implemented fairly quickly; and I want to commend
2 Park Police for their diligence and effectiveness in responding to the report. Thank you.

3

4 Council President Praisner,

5 Thank you all very much. We are adjourned until tomorrow morning.

6